



# CLARE & GILBERT VALLEYS COUNCIL

# ANNUAL REPORT



# The Year in Review

The Clare & Gilbert Valleys Council presents the Annual Report on achievements of Council for 2016/17 in accordance with the requirements of the Local Government Act 1999 as amended.

## Works

As with previous years 2016/17 was once again a busy and well filled year. The storm event in September 2016 provided a challenge for Council staff to complete all capital & programmed maintenance works.

Council's road network received significant capital upgrades with the sealing of just under 7km of the existing unsealed road network. Sections of Gillentown and Spring Gully Roads, the final section of the Min Man Road and the Riesling Trail links on Morrison, Wakefield, and Greenwood Park Roads were all completed. Council also completed 65km of re-sheeting on the rural road network.

Simmo's Bridge on Hazeleigh Road was replaced to provide a significant improvement to the access up Steelton Road to the East of Saddleworth.

Footpath upgrades in Clare, Riverton and Auburn were completed.

Condition reports were completed on the Community Waste Water Management Scheme systems in Clare, Saddleworth and Riverton to assist with maintenance schedules and required upgrades.

Safe roof accesses were finalised on a number of Council buildings to make them compliant.

Stormwater and drainage works continued in Clare, Riverton, Tarlee and Auburn, with the Norman Drive and Jarman Crescent works completed. Channel remediation works were carried out in the Hutt River from the Gleeson Wetlands to the Clare Township to assist with directional flow management.

## Library

The Clare and Gilbert Valleys Library service is a hub of knowledge, creativity and innovation, bringing together the physical and digital worlds and providing opportunities for learning and leisure, linking people in our communities to each other and the world. In 2016-17, Clare, Auburn and Saddleworth Libraries loaned 113,692 physical items, which represented a 9% growth from the loans in 2015 -16. In addition 3455 ebooks were loaned and 77885 visits were counted.

Clare and Saddleworth branches have access to free internet and WiFi provided by the Libraries Board of SA and all branches are part of the South Australian One Card network, which enables members to access resources from every public library in the state. Digital literacy lessons and one-on-one assistance have been provided through lifelong learning programs and have helped bridge the digital divide and build foundation information and digital literacy skills in the community. The Home Library service connected less mobile community members to the Library.

Preschool story time (Toddler Tales), School holiday programs and Children's Book Week were well attended and built vital literacy skills. In addition, a Baby Bounce and Rhyme Time program was added to the weekly programs, which was targeted at babies 0-18 months, with the aim to stimulate language and literacy development in the very young and provide community connections for their care providers.



The library has a strong focus on lifelong learning and seeks to build the skills of the community through the provision of materials for informal learning, and through forming partnerships with education providers. STEM (Science Technology Engineering and Math) were a focus during the year, as STEM education creates critical thinkers, increases science literacy, and enables the next generation of innovators. Maker space tables, *Lego in the Library*, *Science Week* and *The Little Bang Discovery Club* in partnership with the Children's Discovery Museum and Inspiring South Australia, have all provided opportunities for children to explore

The Library also hosted many community displays and authors, and celebrated community events. Friends of the Library provided valuable assistance through fundraising and through assistance at events such as the Biggest Morning Tea and held a literature competition for young writers.

## Recreation & Lifestyle

The 2016/2017 financial year has proven to be a busy and successful year for the Valleys Lifestyle Centre. The overwhelming success of the second Mr Mick Clare Masters Games was the standout event over this period. The 2017 SA Masters Games was the second multi sport event hosted by the Clare & Gilbert Valleys Council and was again extremely well supported by the local community. Clare was host to over 1,000 competitors from all over Australia and overseas for the four day event with competitors competing across 20 sports. Again, the vast majority of the competitors were very complimentary about the Clare Valley, its people and the Games themselves.

As at 1 July, 2017 Council has handed the management of the Valleys Lifestyle Centre to YMCA South Australia. YMCA is a not for profit organisation that manages 700 facilities across Australia with over 15 Local Government authorities in South Australia, managing sport and recreational facilities, delivering community focused programs and services as well as ensuring access is possible to those in need in the community. YMCA have a huge commitment to health and fitness.

## Citizenship Ceremonies

Australian Citizenship is an important common bond for all Australians (whether Australians by birth or by choice) and lies at the heart of a unified, cohesive and inclusive Australia. Citizenship celebrates Australian values including democracy and equality under the law and respect for each others' beliefs. It is a unique symbol of formal identification with Australia, acknowledging responsibilities and conferring substantive privileges which allow people to participate fully in the community.

Citizenship ceremonies are public ceremonial occasions which provide an important opportunity to formally welcome new citizens as full members of the Australian Community. Representatives of all three levels of government (Federal, State or Territory, and Local), community leaders, friends and relatives of the candidates are invited to attend.

The Mayor has been authorised as a person who may receive the pledge as a citizen of the Commonwealth of Australia. During the last year, 13 Australian Citizenship Certificates were presented by Mayor Allan Aughey OAM.

## Fire Prevention

Fire prevention is a constant consideration throughout the Council area with the Pinery bushfire of 2015 a constant reminder of the bushfire threat that comes every year. Before every bushfire season, Council's Fire Prevention Officer inspects and assesses properties throughout the Council area to ensure fuel loads are kept to a minimum and the risk of bushfires is reduced. As a result of Council's routine inspections, 333 Schedule 12 Notices were issued. This is the same number of notices as last year. It is the responsibility of all property owners and residents to ensure that bushfire risk is minimised. Council is making efforts to remind people of their responsibilities by pushing messages out through newsletters, newspapers and social media.

The Clare & Gilbert Valleys Council continues to encourage all property owners and residents to undertake fire prevention measures on their properties to reduce fire risk. Fire prevention helps to create a safer environment for the members of our community.

## Immunisation

Council engages the City of Playford to provide the school based immunisation program to the Riverton and Clare High Schools in accordance with the National Immunisation Program.

Immunisations given to students for 2016/2017:

- Clare High School 437
- Riverton High School 225

## Mid North Community Passenger Network

The Mid North Community Passenger Network (MNCPN) provides transport services to support the needs of the transport disadvantaged, aged, frail and disabled in our region. These services are provided with the professional assistance of a group of highly dedicated and fully accredited volunteer drivers. Clare & Gilbert Valleys Council hosts the service which also covers Adelaide Plains Council, Wakefield Regional Council and Regional Council of Goyder.

The MNCPN ensures the smooth operation of this program utilising seven SUV's and a wheelchair access vehicle placed in major towns.

The MNCPN has currently 50 volunteers from across the Mid North.

The MNCPN also has a ten seated wheelchair accessible bus contracted by Yorke Peninsula Coaches.

## Australia Day

Council hosts Australia Day Breakfasts at Clare, Riverton, Saddleworth and Auburn. These functions are open to all residents of the Council area and attract around 1,000 people. Council presents awards to acknowledge outstanding efforts made by local people, and groups who contribute to community development. Citizen of the Year and Young Citizen of the Year Awards, are presented to individuals and a Community Event of the Year Award is presented to an outstanding group.

Australia Day Awards for 2017

Northern Area:

Ron Wurst	Australia Day Citizen of the Year
No award	Australia Day Young Citizen of the Year
No award	Community Event of the Year

Central Area:

Rosie Richardson	Australia Day Citizen of the Year
No award	Australia Day Young Citizen of the Year
No award	Community Event of the Year

Southern Area:

Roger Aitchison	Australia Day Citizen of the Year
No award	Australia Day Young Citizen of the Year
Scholz Park Museum Committee - Scholz Park Museum reopening event	Community Event of the Year

Mayoral Awards –

Beryl Crabb and the Late Roy Crabb  
Sevenhill CWA  
Frank & Judy Gorey  
Rosie & Peter Richardson

## Regulatory Services

Regulatory Services manages issues with regard to Planning, Building and Heritage, Environmental Health and General Inspectorial services.

Many of the services which are provided by Council are prescribed by various State Government Acts and Regulations, they include but are not limited to;

- The Development Act
- The Heritage Act
- National Construction Code of Australia
- Disability Discrimination Act
- The South Australian Public Health Act
- The Food Act
- The Dog and Cat Management Act

All sections within the Regulatory Services Division provide a diverse range of services which contribute significantly to the quality of life of the community. The core services of each section of the Division include:

- Planning and Building
- Environmental Health
- General Inspectorial Services





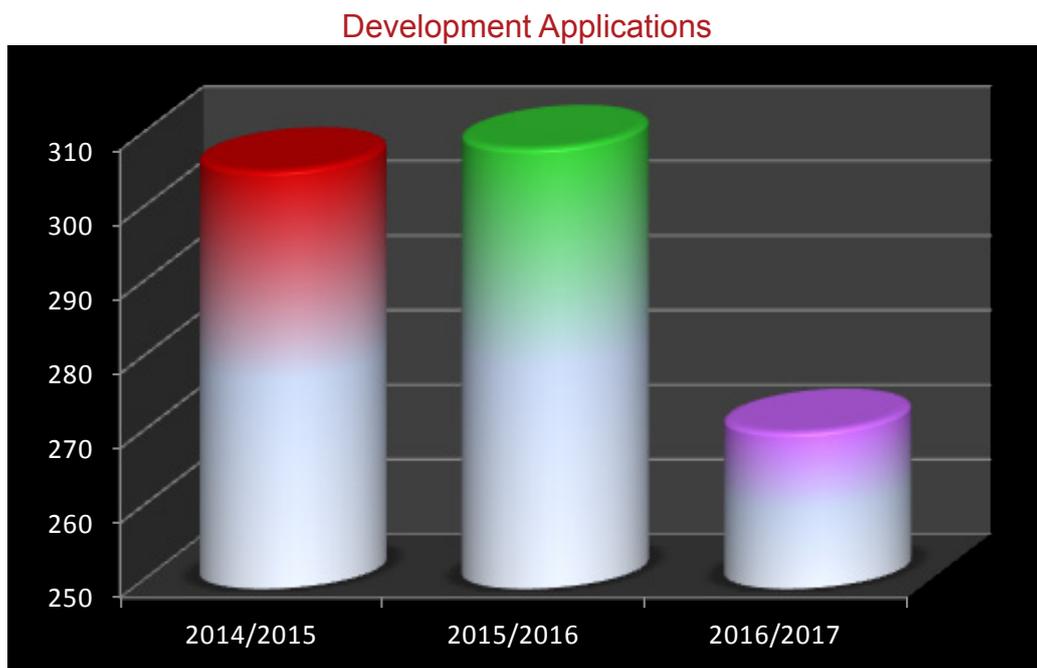
## Development Applications

Council provides a wide range of services within its Development division. Council's aim is to provide an efficient, professional and friendly service providing sound advice relating to planning and building matters to a range of stakeholders including State Government Agencies, allied building professionals, builders/trades people, developers and the general public.

Council's Planning staff assess development applications for various forms of development using the provisions of the Development Act and Regulations, together with the relevant provisions of the Clare & Gilbert Valleys Development Plan. Council staff assess the applications to determine the appropriateness or otherwise of these through the development process. The majority of applications processed by Council were 'consent' or 'complying' applications which do not require public notification. These applications were assessed under delegation.

Development applications may be subject to public notification and the Development Act and Regulations outline the statutory provisions under which Councils must publicly notify development applications. Category 2 applications require Council to notify adjoining land owners in writing and Category 3 applications require the notification of adjoining land owners and the placement of a notice in the local newspaper. Last financial year Council publicly notified 3 Category 2 applications and 10 Category 3 applications.

271 development applications were received between 1 July 2016 and 30 June 2017. As a comparison, 309 development applications were received between 1 July 2015 and 30 June 2016, and 306 were received between 1 July 2014 and 30 June 2015.



15 land division applications were received, 27 new allotments were created and 5 boundary realignment applications were received during the year.

Despite the lower numbers of development applications, pleasingly the value of development applications increased by more than \$2 million from \$21.2 million last financial year to \$23.65 million in 2016/17. It should be noted that these figures relate to planning assessments only and not 'as built' work.

### **New planning system** – the Planning, Development and Infrastructure Act

Council staff are working closely with the Department of Planning, Transport and Infrastructure (DPTI) as the State transitions over to the new Planning, Development and Infrastructure Act which represents the blueprint for South Australia's new planning system. The Act promises to change the way planning decisions are made in SA, including:

- establishing a new, independent State Planning Commission;
- establishing a new Community Engagement Charter;
- establishing a Planning and Design Code to replace the existing Development Plans;
- delivering new planning tools for professionals and the public;
- developing new assessment pathways and a professional accreditation system.

The PDI Act will be implemented over the next several years and will create changes in the way in which development applications are assessed and new planning policies are implemented.

### **Building Surveying**

Council's Development Officer - Building assesses development applications for compliance with the National Construction Code of Australia, the Development Act and the Development Regulations.

Developments are classed depending on their use with Class 1 and 10 grouped as dwelling and domestic outbuilding construction and Class 2 to 9 grouped as commercial and industrial type buildings.

Council's Building Officer is also responsible for building rules assessment, on-site building inspections of building work, Building Fire Safety Committee duties (including inspection, reporting and advisory services).

### **Building Fire Safety**

Local Government plays an important role in protecting the ongoing safety of building occupiers and users. Council is required under legislation to have a Building Fire Safety Committee. The Committee has the responsibility for all matters arising under Section 71 of the Development Act.

The Committee is made up of 3 members, Council's Development Officer - Building, a representative of the Country Fire Service of SA and an independent Building Surveyor. The Committee meets on a quarterly basis and undertakes inspections of commercial or accommodation premises to determine the adequacy of fire safety for occupants.

### **Disability Action Plan**

Pursuant to the requirements of the Disability Discrimination Act, Council developed a Disability Action Plan to assess Council's public buildings and infrastructure in line with the Act. Improvements are continuing to Council buildings to facilitate access and egress for people with disabilities.

## Food Safety

Under the requirements of the Food Act, Council continues to manage its responsibilities in surveillance and inspection in line with the Act and the National Food Safety Standards. Food safety and hygiene information packs are available to all food businesses, community and charitable organisations in the Council region upon request.

Food business operators have a legal responsibility to ensure that not only are their premises in a clean and hygienic state, but also to ensure that the food they serve is safe and suitable for human consumption. Council provides an ongoing focus on food safety standards and public education.

Council in partnership with TAFE SA have been running Food Safety Courses. These courses are an important initiative which support the needs of local businesses and community groups and improves the level of food safety awareness in the region. The accredited training assists food handlers in developing the required skills and knowledge to ensure food is handled in a safe and hygienic manner.

## Waste Control Systems

A total of 78 waste control system applications were received in 2016/17. Those that did not have connections into Council owned and operated community wastewater management schemes were mainly for “aerobic” wastewater treatment systems.

## Unsanitary Conditions

Council’s Environmental Health Officer acts on complaints from the public or from general inspections and investigates premises that may be deemed to be in an unsanitary condition. Action is then instigated if the complaint is upheld.

Rats, mice and other vermin infestation complaints are investigated and advice or direction for eradication is given where appropriate.

## Animal Management

Over the course of 2016/17 Council continued to promote responsible pet ownership throughout the Council area by means of advertisements, social media, Council newsletters, promoting microchipping, desexing and obedience training, working with local veterinarians, and providing support to local obedience training groups. These strategies will assist in creating an environment in which people and pets can safely integrate without negatively impacting the community.

In the 2016/17 financial year the total number of dogs registered was 2,098 dogs. As an incentive to encourage registration, Council continued to offer free registrations to new dogs registered with Council regardless of age.

The number of dog management offenses that occurred during the year:

- |                   |    |
|-------------------|----|
| • Stray dogs      | 91 |
| • Impounded       | 68 |
| • Dog Harrassment | 14 |
| • Dog Attacks     | 15 |

Dogs wandering at large and instances of dog attacks are responded to as expediently as possible. Council's current dog holding facility is able to hold three dogs under cover with access to a large exercise yard. Although Council will do all it can to find the dogs' owners, dogs that are not claimed within 72 hours are transferred to the Animal Welfare League for temperament testing and re-homing.

Council has not introduced cat management regulation. Council has available information relating to responsible cat ownership. Residents are also able to hire a cat trap, free of charge, in cases where feral cats are causing a problem.

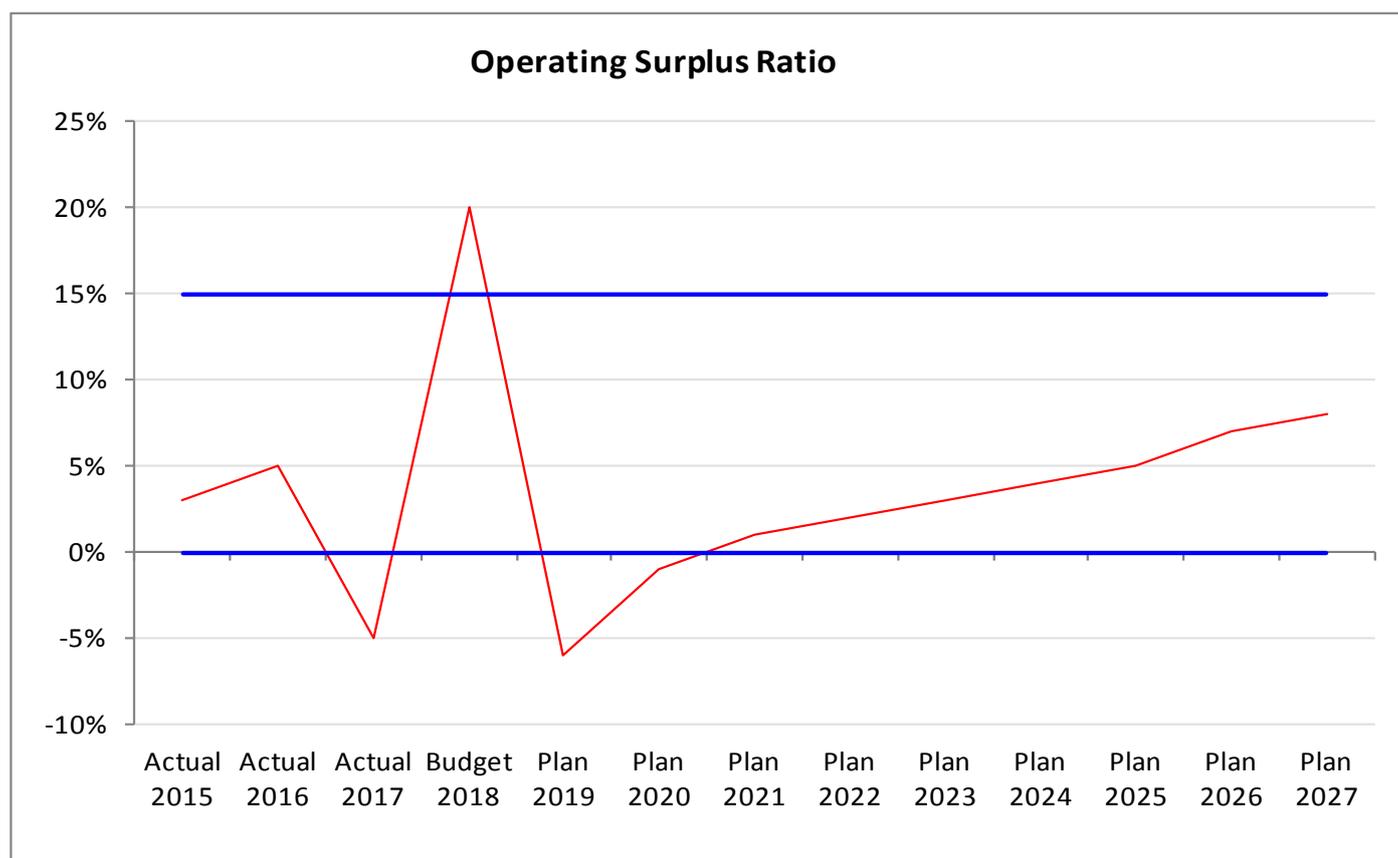
Council will continue to liaise with the Dog & Cat Management Board to promote responsible pet ownership within the Clare & Gilbert Valleys.



## Finance

Although the 2016/17 year has seen an operating deficit of \$428k, over the last five years a surplus has been achieved which is in line with the Financial Indicator target as set out in Note 15 of the Statements. The operating surplus ratio indicator compares the operating result in relation to the operating revenue and recognises that there may be fluctuations in results in individual years. In the long term however, a negative result would result in a decline in the value of Council's asset base. The following graph shows the indicator for the last 3 years' actuals, the 2017/18 budget and planned results based on Council's Long Term Financial Plan.

*Operating Surplus Ratio Target – To achieve an operating surplus ratio of between 0% and 15% over any five year period*



The deficit in the reporting year was in part due to an increase in depreciation following revaluations of transport infrastructure and buildings. The replacement costs used were updated and refined with consideration to Council's asset renewal practices. The results of the valuation highlight the pressure on Council to fund the replacement of these assets into the future and Council acknowledges the importance of Commonwealth assistance such as that received through the Roads to Recovery program.

Grants and contributions were higher than in the previous year and included an advance payment of the 2017/18 Commonwealth Financial Assistance Grant and Commonwealth funding for the Mid North Passenger Transport Network.

Council rates increased by 3% over the previous year consistent with the Long Term Financial Plan while operating income derived from user charges increased in line with CPI.

Council's response to the storm and flood event in September 2016 also contributed to the increase in operating costs along with support for community events including SA Variety Bash, Women's Pro Tennis Tournament, Bike SA and hosting the Master Games.

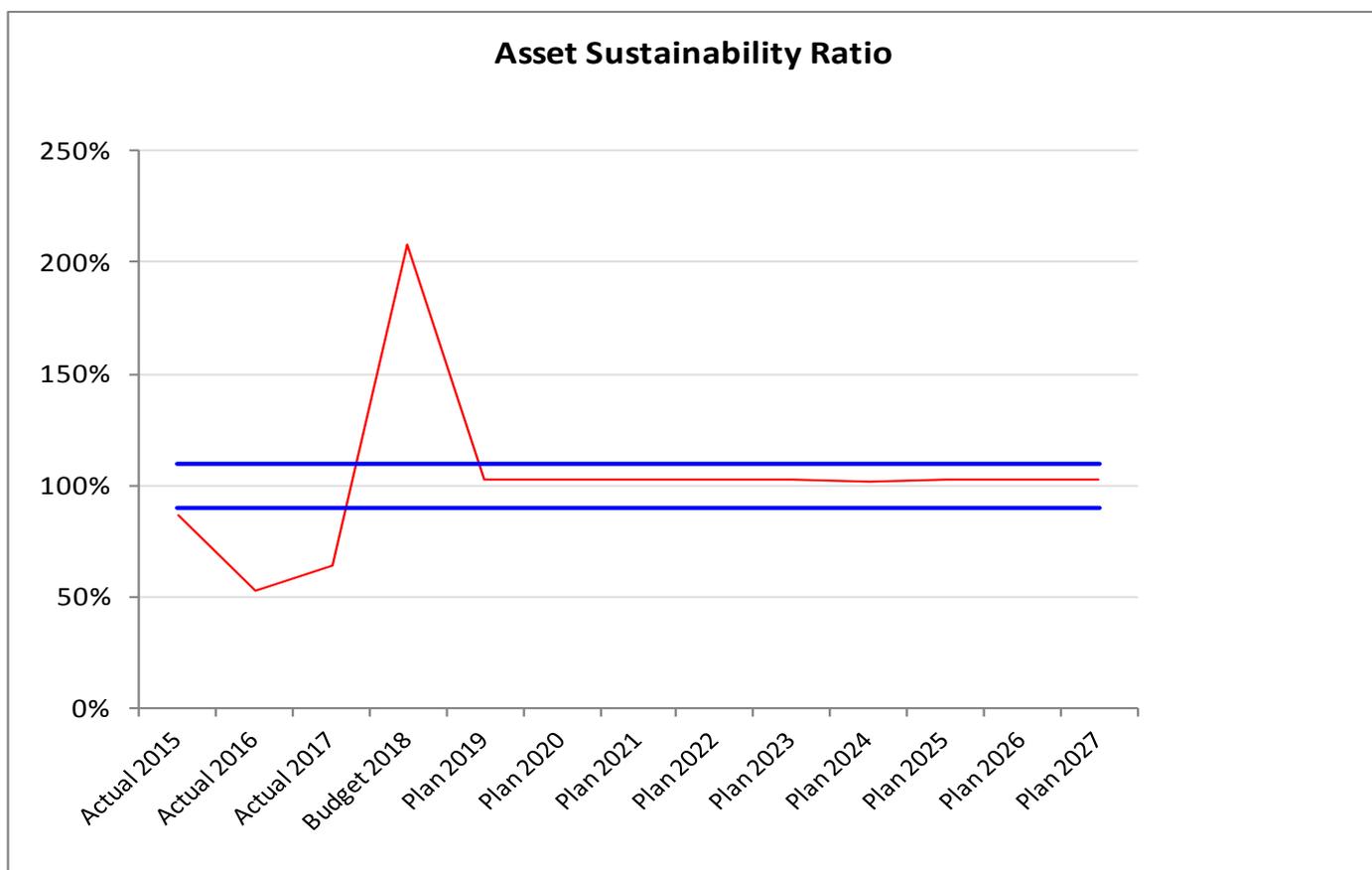
An insurance payment, net of costs of disposal, in relation to the former Saddleworth RSL building was donated to the Saddleworth District Community Association and a donation was also made to the Auburn Community Development Committee who have taken on the responsibility for the Auburn Institute.

The Statement of Comprehensive Income shows a reduction in Finance costs due to Council's reducing debt level. Outstanding borrowings at 30 June 2017 were \$7,066,000 compared to \$8,096,000 in the previous year and will reduce by a further \$1,094,000 in 2017/18.

Council's policy to reduce borrowing results in a reduction in the existing cash reserves as shown in the Statement of Financial Position.

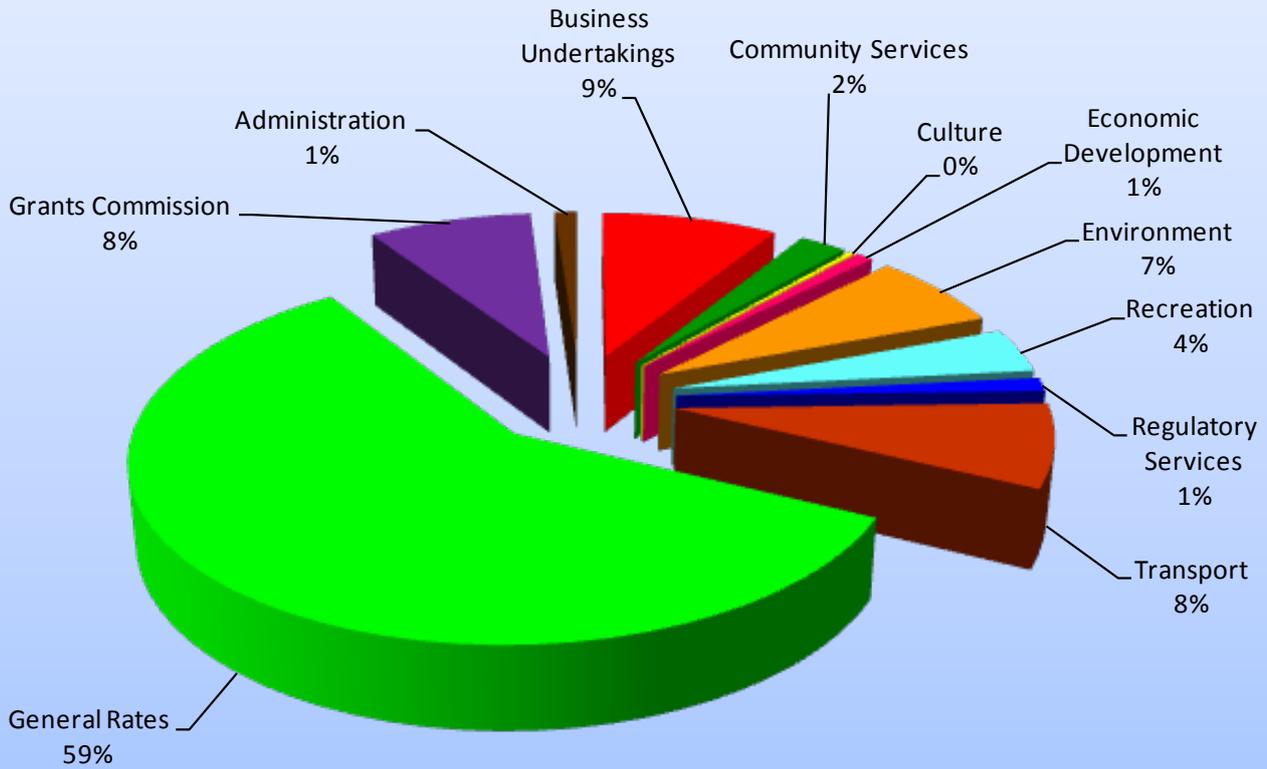
The total expenditure on capital works was \$5,362,000 of which \$3,091,000 was spent on renewal of existing assets and \$2,271,000 on new assets or on upgrading existing assets. This resulted in an Asset Sustainability Ratio of 64% for the year which was an increase over the previous year but fell short of Council's target. To address this Council has reviewed the condition of its major assets and in September 2017 adopted a new Asset Management Plan and Long Term Financial Plan. The asset renewal expenditure planned for 2017/18 is based on the requirements of those plans.

*Asset Sustainability Ratio Target – To achieve a ratio of between 90% and 110% over a rolling three year period.*

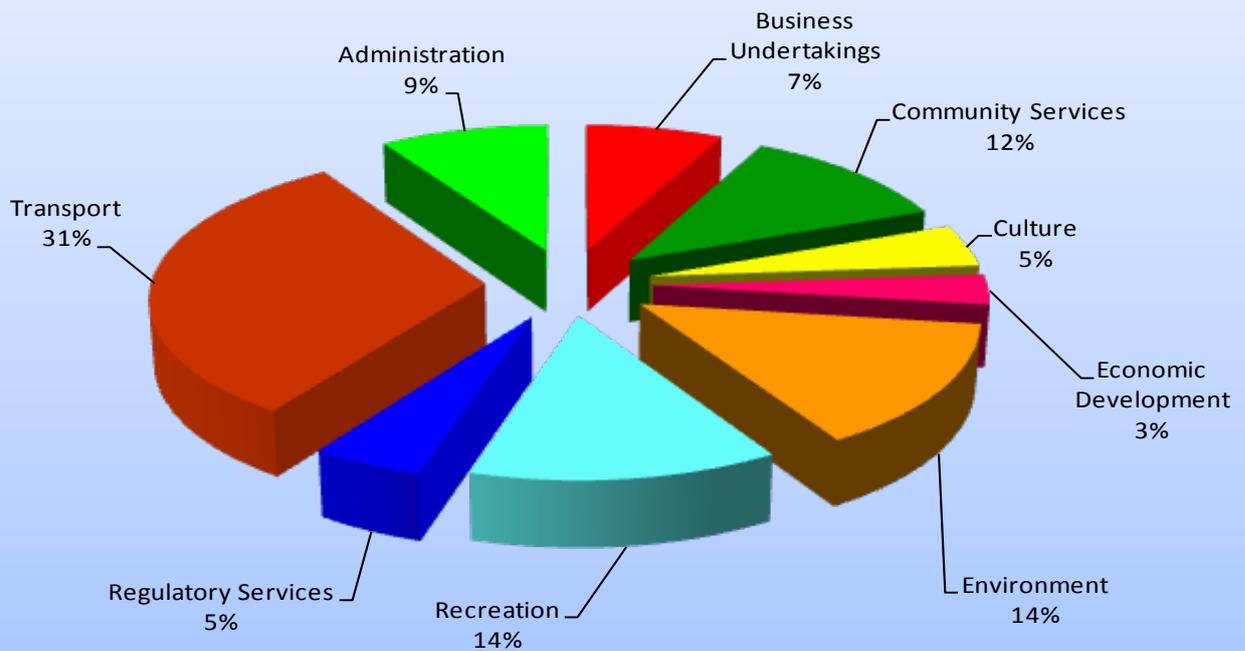


The Uniform Presentation of Finances, which provides a high level summary of Council's financial activities during the year shows net outlays for the year of \$465,000.

## Operating Income by Function 2016/2017



## Operating Expenses by Function 2016/2017





Hutt River tree removal

# Council Profile

Our district comprises some of the most productive lands and scenic landscapes in Australia with the capacity to deliver premium products and experiences. Located adjacent to the outer metropolitan area of South Australia's capital Adelaide, the Clare & Gilbert Valleys enjoy the advantages of proximity and accessibility with an enviable rural lifestyle.

The Clare Valley wine region is famous for its world class Riesling and has achieved recognition as Australia's Capital of Riesling. Combined with Shiraz as another staple, and emerging wine varieties, the Clare Valley continues to have a strong future in viticulture and winemaking.

The productive and fertile lands of the Clare & Gilbert Valleys combined with favourable climatic conditions result in excellent broad acre cropping opportunities and livestock production. This strength provides a strong foundation for Clare Valley Cuisine and an increasing trend towards value-adding before and beyond the farm gate.

The vision for the Clare & Gilbert Valleys is described as "attractive, prosperous, welcoming and harmonious". This statement embraces the tapestry of towns, villages and rural landscapes across which our population of 9,023 (2016 Census) is dispersed. Ranging from the service towns of Clare, Riverton, Saddleworth and Auburn through to the villages of Stockport, Tarlee, Rhynie, Manoora, Mintaro, Watervale, Sevenhill, Armagh, Waterloo and Marrabel each has a proud history, great stories and positive future.

The Clare & Gilbert Valleys form part of the traditional lands of the Kaurna and Ngadjuri peoples and their rich connection and association with this place is recognised.

The Clare & Gilbert Valleys attract the focus of South Australia's trails network. Home to the renowned Riesling Trail, which hosts cycling and walking from Barinia in the north to Auburn in the south, it covers more than 35kms along the old railway corridor. A southern extension through the Rattler Trail, from Auburn through to Riverton, makes a total distance of 60kms. The Heysen, Mawson, Kidman and Lavender Trails also traverse the Council's landscape offering a diversity of experiences and interests.

Education is a focus for the Clare & Gilbert Valleys with excellent public and private schools and a number of training organisations. A quality library service is provided through full time libraries at Clare, Saddleworth and Riverton with an agency in Auburn. The strong presence of the University of the Third Age enable a wide variety and range of interests to be explored.

The high level of health and associated services available locally, including two hospitals and an excellent ambulance service along with the presence of the Mid North Passenger Transport Scheme provide well for those that need assistance.

The development of the Clare Valley Aerodrome greatly enhances the prospects for the Council region as an accessible destination for visitors to utilise the many excellent accommodation venues, function centres and tourist facilities available, including the wide variety of historic sites and events which occur in the area. The increased fire fighting capabilities provided by the Aerodrome is another important benefit provided by that facility. A taxi service and several local private transport and tour companies are also readily available.



The Clare & Gilbert Valleys comprise safe communities with a low crime rate and a strong police presence. An active and efficient emergency service is present throughout the region provided by dedicated and well trained volunteers of the CFS and SES. The region also has access to many State and Federal government agencies including; Rural Solutions, Natural Resource Management and Department of Environment Water and Natural Resources, Regional Development Australia, Department of Education and Child Development, Country Health SA, SA Water, Department of Planning, Transport and Infrastructure and Medicare Local.

The Clare & Gilbert Valleys Council was proclaimed on 1st July, 1997, having been formed through the amalgamation of the District Council of Clare, the District Council of Riverton and the District Council of Saddleworth & Auburn.

Distance of Principal Office to Adelaide - 143km

Area of Council - 1,840 km<sup>2</sup>

Distance of Council's sealed roads - 209km

Distance of Council's unsealed roads - 1,615km

Number of Rateable Assessments - 6,816

Number of Non-Rateable Assessments - 544

Number of Electors

State Roll - 6,676

Council Roll (Supplementary Roll) - 115

Total - 6,791

Principal Office: 4 Gleeson Street, Clare

Postal Address: 4 Gleeson Street, Clare SA 5453

Branch Offices:

21 Torrens Road, Riverton

19 Belvidere Road, Saddleworth

Libraries:

33 Old North Road, Clare

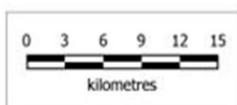
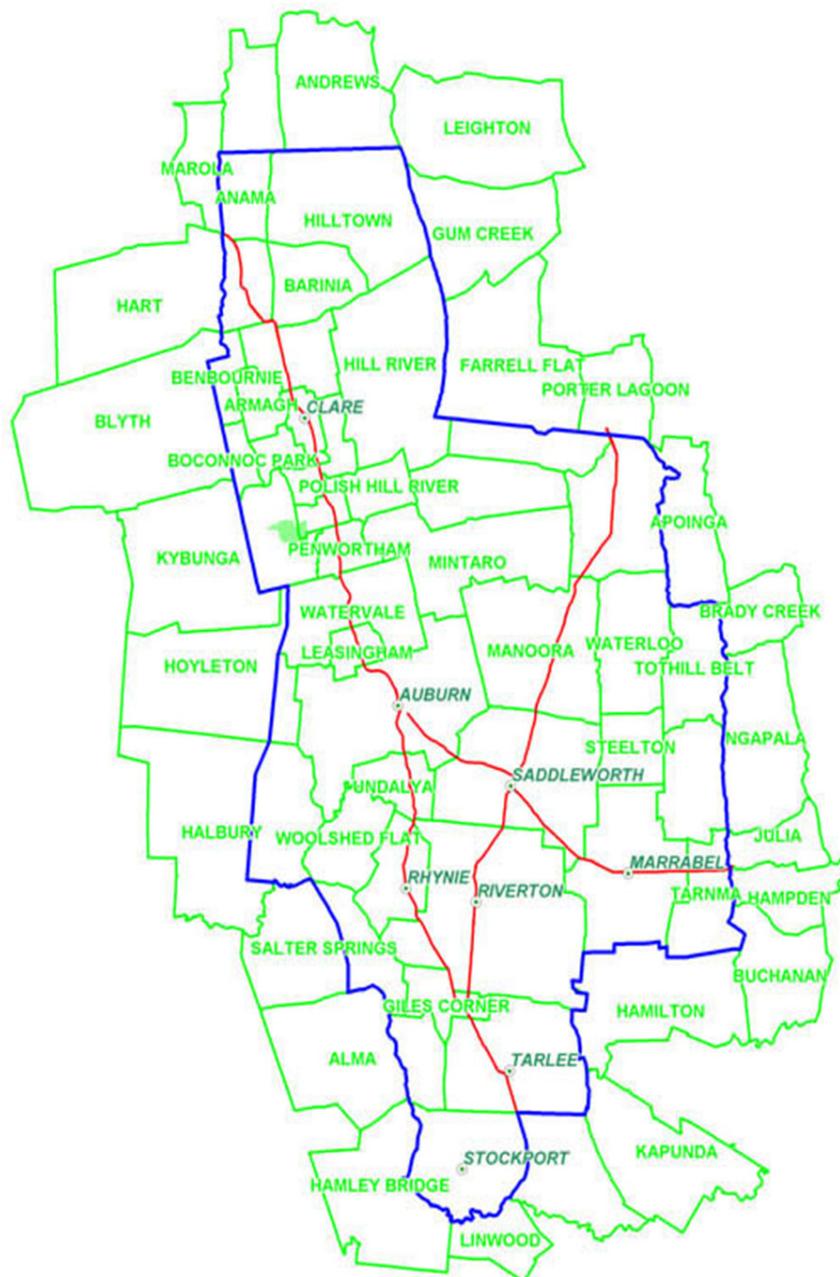
19 Belvidere Road, Saddleworth

6 St Vincent Street, Auburn

Riverton High School/Community Library, Oxford Terrace, Riverton

Website: [claregilbertvalleys.sa.gov.au](http://claregilbertvalleys.sa.gov.au)

Email: [admin@cgvc.sa.gov.au](mailto:admin@cgvc.sa.gov.au)



### Localities within the Clare & Gilbert Valleys Council area

Alma, Anama, Armagh, Auburn, Barinia, Benbournie, Black Springs, Bococonnoc Park, Bungaree, Clare, Emu Flat, Farrell Flat, Giles Corner, Gillentown, Halbury, Hill River, Hilltown, Hoyleton, Leasingham, Manooora, Marrabel, Mintaro, Penwortham, Polish Hill River, Rhynie, Riverton, Saddleworth, Salter Springs, Sevenhill, Spring Farm, Spring Gully, Stanley, Stanley Flat, Steelton, Stockport, Tarlee, Tarnma, Tothill Belt, Tothill Creek, Undalya, Waterloo, Watervale and Woolshed Flat.

# Projections and Targets from 2017/18 Annual Business Plan

## Governance & Community Services

1. Hold regular Council meetings.
2. Hold community forums including those for peak bodies and community committees.
3. Promote and support the role of the Mayor including the conduct of civic receptions, Australia Day celebrations, citizenship ceremonies and twin city arrangements.
4. Promote and support the roles of council members, including the ongoing use of ICT and training.
5. Identify and implement all appropriate and relevant legislation, standards and codes pertaining to local government business.
6. Develop and review policy, procedures, systems and processes to reflect legislation and good governance, including the ongoing review of Council's delegations register.
7. Continue to work towards the development of the Work Health and Safety Local Government One System in compliance with Local Government Workers Compensation Scheme and Workcover requirements.
8. Continue to support Peak Body Projects which range in diversity and complexity and maintain insurance reimbursements with an annual allocation of \$78,000 in the budget.
9. Continue to support Community Committees.
10. Promote the Mid North Community Passenger Network which is hosted by Council to continue the improvement of services to the community.
11. Continue to assist the community to risk manage community events.
12. Continue to develop/review Council's Emergency Management Plans and Business Continuity Plans.
13. Provision of financial support for a Youth Development role \$42,000.

## Libraries & Information Services

1. Continue to strengthen and improve the *One Card* (State) Network, including database management and special projects.
2. Continue to provide access to quality information and resources through focused collection building.
3. Continue to consolidate, review and respond to community needs for lifelong learning programs including early learning and adult education programs.
4. Continue to consolidate digital literacy programs with a focus on digital inclusion and cyber safety. Continue to work towards E-Smart library accreditation.
5. Explore, enhance and implement the "community space" aspect of the library service through ongoing community connection and social capital building activities.
6. Develop and complete the garden space at the Clare Library to include cultural features, public seating and space for al fresco library use.
7. Develop targeted STEM and digital literacy programs.

## Recreation & Lifestyle

1. Provide ongoing support to local sporting groups and associations with details of grant funding opportunities to help build a healthy and vibrant community.
2. Increase marketing through a variety of media to promote all recreation services.
3. Continue to seek and deliver major sporting events for the region.
4. Work to improve customer service, traffic management and retention for all recreation services provided by Council.
5. Plan and deliver the Wine, Wheels and Whiting cycling event to link tourism and recreation with the District Council of The Copper Coast.
6. Investigate alternative methods of management for the Riverton Pool
7. Manage agreement with YMCA to deliver Management Services to the Valleys Lifestyle Centre.

## Works and Infrastructure

1. Community Wastewater Management Schemes –
  - Pump station upgrades for the Clare, Riverton and Saddleworth plant will be carried out to alleviate compliance issues as well as the installation of a balance tank at the Clare Pump Station to cope with stormwater infiltration into the plant.
  - Defect rectifications on the pipework identified in the 2016/17 CCTV and condition reports are scheduled for repair at all three schemes.
2. Bridgeworks –
  - A grant application has been submitted for renewal of “Morris Bridge” on Steelton Road, Saddleworth and this work will be carried out subject to receipt of that funding. The completion of this last bridge renewal will complete the entire bridge network on Steelton Road.
  - Ryelands Bridge, Tarlee to be reinstated to existing width and the head wall replaced.
  - Simmos Bridge - Completion of Pavement works following bridge construction in 16/17.
3. Stormwater & Drainage
  - Stormwater upgrades are to be carried out to the following areas:
  - Clare: Continuing works on the Police Paddock/William Street flood mitigation to alleviate flooding issues on William Street, Victoria Grove and Burton Street.
  - Sevenhill: Industrial Street – Upgrades to alleviate flooding to properties.
4. Footpaths & Kerbing
  - Clare: Main North Road footpath renewals - along Main North Road from Ness Street to Mill Place.
  - Riverton: Continuation of Riverton footpath upgrades on Torrens Road from Hannaford Avenue to Elliot Street
5. Buildings

Various Building works are to be carried out throughout the district including salt damp barrier works, refurbishment of public toilets, repairs to the Clare boardwalk and Lions Park footbridge and the construction of a dry sand shed in Clare.

## 6. Roads to be resealed

- Main Road 45 from Slant Rd to Range Rd - Reconstruction on failing section
- Copper Ore Rd from Miss Martin Rd to Betterson Rd – Edge reinstatement for re-seal
- Waterloo Rd - Powerline North Road to MR45 – repair pavement failure and re-seal
- Barinia Rd - Pavement repairs between Calcania & Gaelic Cemetery plus Calcania Intersection
- Spring Farm Rd - From Quarry Rd to Farrell Flat Rd - Various locations - pavement repairs
- Crawford Ave, Saddleworth - from Burra Road to Girth St - Intersection repairs for re-seal
- Bridle St, Saddleworth - from Belvidere Rd to Bowling Club
- White Hut Rd – From Farrell Flat Rd to Waller Dr
- Brothers Hill Rd - Intersection with Barrier Hwy
- MinMan Rd - Intersection with Barrier Hwy
- Brothers Hill Rd - Edge Reinstatement from Flaxmill Rd to Elder St, Auburn
- Kelly St / Barnard St Intersection Clare

## 7. Unsealed Roads - Rural

- Hentschke Rd - from Masters Rd to Slape Rd
- Rohde Rd from Horrocks Hwy to Bethel Rd
- River Rd, Tarlee from end of seal to Bond St
- Claytons Rd from Range Rd to Stockport-Giles Corner Rd
- Ashton Rd from end of seal to Old Main North Rd
- Ettrick Rd from Blazes Rd to Greenslades Rd
- Lookout Rd (nth of Riverton) from Barrier Hwy to Garryowen Rd
- Granny Creek Rd from Salter Springs Rd to Road Reserve at RRD 2000
- Frederick Rd from Curio Rd to Tarnma Rd
- Orana Rd from Marrabel Rd to Road Reserve at RRD 2690
- Powerline North Rd from Pindari Rd to Moller Gap Rd
- Powerline North Rd from Pindari Rd to Schwarz Rd
- Schmerl Rd from Horrocks Hwy to Kench Rd
- Lamkins Rd from Schmerl Rd to Baum Rd
- Kench Rd from Saddleworth Rd to River Rd
- Overton Rd from Brothers Hill Rd to Winery Rd
- Clampett Rd from Farrell Flat Rd to Dunns Range Rd
- Morrison Rd from Horrocks Hwy to Farm Driveway 970m E of Fairfield Rd
- Fairfield Rd from Morrison Rd to Pearce Rd
- Kimber Rd from Horrocks Hwy to start of seal
- Kimber Rd from end of seal to Square Mile Rd
- Muanu Rd from Jacobs Range Rd to Woodlands Brae Rd
- Benbournie Rd from Basham Rd to MacDonald Rd
- Benbournie Rd from end of seal at Emu Rock Rd to Basham Rd
- Hicks Rd from Ashby Rd to bend at RRD 1765
- Rossmoore Rd from Lookout Rd to Stradbroke Rd
- Harvey Hwy from end of Seal at Bridge to Lehman Creek Rd
- Smart Rd from end of seal to end
- Robins Rd from farm driveway at RRD 2475 to Hills Rd
- Main St (Black Springs) from Black Springs Rd to Old Burra Rd at RRD 920
- Calcannia Rd from RRD 3720 to Cornwell Rd
- Old Manoora Rd from Plueckhahns Road 1.5km south
- Bruce Rd from Ryelands Rd to Ettrick Rd
- Quarry Rd, Marrabel from Curio Rd to Tarnma Rd
- Light River Rd from Rowett Rd to Tothill Rd
- Winders Rd from Barrier Hwy to Cemetery Rd
- Main Rd South from Barrier Hwy to Blocks Rd

## Development & Environment

1. Encourage development that reflects the desired character outcomes for the Clare and Gilbert Valleys.
2. Communicate with applicants and developers to ensure best development outcomes.
3. Retain and strengthen the economic potential of Primary Production land.
4. Identify and protect places of heritage and cultural significance, and desired town character.
5. Encourage development to be above the minimum Energy Efficiency Star Rating for environmental sustainability.
6. Implement the changes under the new Planning, Development and Infrastructure Act 2016.

## Finance

1. Steer the annual budget setting processes.
2. Provide financial reports as required by departments to allow for effective monitoring.
3. Prepare external reports including Annual Financial Statements and Australian Bureau of Statistics Returns.
4. Facilitate the finalisation of the review of the Asset Management Plan (AMP).
5. Revise ten year Long Term Financial Plan in conjunction with the AMP.
6. Continue to assist the Audit Committee as required by the Local Government Act.
7. Continue with Internal Control development.



Mayor Allan Aughey OAM congratulates Riverton artist Robert Hannaford on the installation of his sculpture outside the Riverton RSL Hall

# Performance against Annual Business Plan 2016/17

## Governance & Community Services

2016/2017 KEY ACTIONS	2016/2017 OUTCOMES
Hold regular Council meetings and Council workshops.	All meetings and workshops conducted with one Council meeting held in Stockport.
Hold community forums including those for Peak Bodies and Community Committees.	A joint Peak Body and Council Committee forum held on 27 Feb 2017.
Promote and support the role of the Mayor including the conduct of civic receptions, Australia Day celebrations, Citizenship Ceremonies and Twinning arrangements.	Australia Day celebrations were held in Riverton, Saddleworth, Manoora, Auburn and Clare. Civic receptions were held throughout the year.
Promote and support the roles of Council Members, including the ongoing use of ICT and training.	Council Members have embraced the use of iPads within the Council Chamber and are working towards technology based Council meetings and workshops. Mandatory Council Member Induction Training was completed February 2015.
Identify and implement all appropriate and relevant legislation, standards and codes pertaining to local government business.	All relevant legislation standards and codes pertaining to local government identified and adhered to.
Develop and review policy, procedures, systems and processes to reflect legislation and good governance, including the review of Council's delegations register.	New or Reviewed Council Policies continue to be adopted by Council in accordance with legislation. Delegations Register updated February 2017.
Continue to work towards the development of the Work Health and Safety Local Government One System in compliance with Local Government Workers Compensation Scheme and Workcover requirements.	WHS Policies, Procedures and documents are continuing to be reviewed as required by legislation and self insured performance indicators.
Continue to maintain the asbestos register in accordance with legislation, to identify the type, condition and location of asbestos in all Council buildings and structures. Council continues to work with Carter Corporation, to conduct this inspection annually.	Council has continued to engage Carter Corporation to assess and maintain the Asbestos Register for all Council properties. Council continues to remove asbestos according to Hazard Risk Priority.
Continue to support Peak Body Projects which range in diversity and complexity and maintain insurance reimbursements with an annual allocation of \$58,500 in the budget.	Peak Body projects supported and insurance reimbursed as per Peak Body Agreements.
Continue to support Community Committees.	Council committees supported through funding allocation.
Promote the Mid North Community Passenger Network which is hosted by Council to continue the improvement of services to the community.	Council continues to host the Mid North Community Passenger Network.
Continue to assist the community to risk manage community events.	Council continues to assist the community to risk manage various community events across the whole Council area.
Continue to develop/review Council's Emergency Management Plans and Business Continuity Plans.	Council continues to review Business Continuity Plan & Emergency Management Plan.
Provision of financial support for a Youth Development role \$42,000.	Council provided financial support for Youth Development.

# Libraries & Information Services

2016/2017 KEY ACTIONS	2016/2017 OUTCOMES
<p>Consolidate, strengthen and streamline the One Card (State) Network. Continue to provide access to quality information and resources.</p>	<p>First country library in the state to complete state project to streamline and improve communications with customers and reduce costs. Voice messaging introduced to customers with only landline phones. Physical collection building to meet customer needs, supplemented by electronic resources integrated into the online catalogue.</p>
<p>Consolidate, review and respond to community needs for lifelong learning programs including early learning programs.</p>	<p>Weekly <i>Baby Bounce and Rhyme Time</i> sessions introduced at Clare Library for babies 0-24 months in response to community needs. Significant increase in attendance to viewed school holiday programs. Mindfulness and STEM activities and stations introduced including community colouring, Lego in the Library</p>
<p>Consolidate digital literacy programs with a focus on digital inclusion and cybersafety.</p>	<p>Digital literacy program focusing on core digital skills for seniors continued, including the delivery of on demand one on one assistance and targeted small group programs. E-Smart library accreditation commenced.</p>
<p>Manage and promote collections both physical and digital.</p>	<p>RFID tagging project completed. Collection continuous improvement and review cycle completed. Focused collection based promotions and displays and increased development and use of screens, social media website achieved</p>
<p>Continue to enhance and develop the “community space” aspect of the Library through development of the garden space at the Clare Library to include cultural features, public seating and space for al fresco library use.</p>	<p>Permanent signage and bench seat installed at Clare Library. Water feature donated by the Friends of the Clare Library. Garden design complete awaiting next stage funding in 2017-18.</p>



Monica McInerney book presentation at Clare Library

## Recreation & Lifestyle

2016/2017 KEY ACTIONS	2016/2017 OUTCOMES
Provide ongoing support to local sporting groups and associations with details of grant funding opportunities to help build a healthy and vibrant community.	The Valleys Lifestyle Centre provided ongoing support to local sporting groups and associations with details of grant funding opportunities to help build a healthy and vibrant community.
Increase marketing through a variety of media to promote all recreation services and programs, specifically the Riverton Pool and The Valleys Lifestyle Centre.	The Valleys Lifestyle Centre and Riverton Pool were marketed throughout the financial year through a variety of media to promote recreation services and programs.
Continue to seek and deliver major sporting events for the region.	Major sporting events had been sought and successfully delivered providing the region an economic and tourism benefit. Namely the 2017 Mr. Mick Clare SA Masters Games, 2017 Honeycomb Women's Tennis International, Wine, Wheels and Whiting and applying to host a stage of the Tour Down Under.
Work to improve customer service, traffic management and retention for all recreation services provided by Council.	Management is continuously implementing ways to improve customer service, traffic management and retention for all recreation services provided by Council.
Work closely with the Clare Sports Club to improve services and increase use of the function centre.	The Valleys Lifestyle Centre and Clare Sports Club have strengthened their relationship and have improved services offered and increased use of the function centre.
Build on the successful implementation of activities such as revolution cycling classes, local running group and Council offered sporting programs such as Futsal, Play-Gym, Club Active and Ladies Netball.	The Valleys Lifestyle Centre continuously monitors the success of activities such as group fitness and seeks to build on retention with class participation and to keep up with the trend in group fitness classes offered. Sporting programs are successfully run and additional sports are always investigated.
Plan and deliver the Wine, Wheels and Whiting cycling event to link tourism and recreation with the District Council of The Copper Coast.	Wine, Wheels and Whiting cycling event was successfully run in collaboration with the District Council of The Copper Coast and Bike SA.
To market test the outsourcing of the Valleys Lifestyle Centre.	The Valleys Lifestyle Centre has been successfully outsourced to YMCA.
To provide free access to Riverton and Clare outdoor pools for Saturday afternoons and Australia Day to encourage community use of these facilities.	Free access was provided to both Riverton and The Valleys Lifestyle Centre patrons to access the pools on Saturdays throughout the season.

# Works and Infrastructure

2016/2017 KEY ACTIONS	2016/2017 OUTCOMES
<p>Community Wastewater Management Schemes Cleaning, CCTV &amp; Condition reports are to be carried out on the Riverton, Saddleworth and Clare CWMS. This will enable an accurate assessment of Council's infrastructure in the schemes, and establish appropriate upgrades and maintenance schedules required. Pump station upgrades for the Clare plant will also be carried out to alleviate compliance issues as well as the possibility of a balance tank to cope with stormwater infiltration into the plant.</p>	<p>All CWMS system condition reports were completed, with the maintenance identified to be completed in the 2017/18 year.</p> <p>Pump station upgrades for the Clare Plant are to be carried forward to the 2017/18 budget with the installation of a balance tank at the main pump station.</p>
<p>Bridgeworks "Simmo's Bridge" on Hazeleigh Rd, Saddleworth is due for replacement in 2016/17 budget. The existing bridge is to be removed and replaced with a new structure which will be a significant improvement to the access up Steelton Rd to the east of Saddleworth.</p>	<p>New structure is in place, with the final roadway sealing works to be completed in 2017/18</p>
<p>Stormwater &amp; Drainage Stormwater upgrades are to be carried out to the following areas: Clare: Police Paddock flood mitigation works Henry St - replacement of existing damaged drainage lines Norman Dr &amp; Jarman Crs - installation of stone pitching for scour protection and stormwater directional flow management Various Channel Remediation works including cleaning, woody weed removal &amp; directional flow management Riverton: Torrens Rd Stormwater Management - Installation of additional drainage lines to direct water from Torrens Rd (North), and Frederick Pl. Tarlee: Charles St Stormwater Management – redirection of stormwater flow along Charles St to protect properties and infrastructure. Auburn: Kingston Ter: Minor Upgrades to alleviate flooding issues on Kingston Ter.</p>	<p>Police Paddock/William St flood mitigation works are ongoing.</p> <p>Henry St, Norman Dr and Jarman Crs budgeted works have been completed.</p> <p>The channel remediation works in the Hutt River have been completed from the Gleeson Wetlands to the Clare township.</p> <p>The Riverton stormwater management design and preliminary works are completed and land tenure is required to continue.</p> <p>Tarlee and Auburn stormwater works have been completed.</p>
<p>Footpaths &amp; Kerbing Clare: Footpath upgrades along Main North Rd from Ness St to the Pedestrian Lights as well as problem areas near Mill Pl. Riverton: Completion of Stage 1 of Riverton footpath upgrades. Auburn: South St, Auburn completion of remaining section including kerb and footpath from King William St to West St.</p>	<p>All footpath and kerbing works in Clare, Riverton and Auburn have been completed.</p>
<p>Buildings Various Building works are to be carried out throughout the district including fire safety upgrades, safe roof accesses, general improvements and the upgrade of 2 x waste disposal systems.</p>	<p>Installation of the waste disposal system and safe roof accesses have been completed. The fire safety upgrade in the Clare Town Hall and Clare Cemetery information boards will be completed in 2017/18</p>



## 2016/2017 KEY ACTIONS

## 2016/2017 OUTCOMES

<p>Sealed Roads Roads to be constructed &amp; sealed MinMan Rd – completion of final section to link the entire sealed road from Mintaro to Manoora. Morrison, Wakefield &amp; Greenwood Park Rd extensions of seal to improve crossovers with Riesling Trail. Spring Gully &amp; Gillentown Rds – Completion of construct and seal works on sections upgraded in the 2015/16 Budget. South St, Auburn. Roads to be resealed Brothers Hill Rd from Sniper Rd to Byrne Rd, Auburn Main Road 45 from Slant Rd to Marrabel Rd, Marrabel (including edge repairs / seal reinstatement) Michael Ct from Michael St to end (Hotmix Treatment &amp; profiling), Clare Elder St from Arthur St to Archer St, Auburn Muanu Road</p>	<p>All sealed roads works were completed Min Man Rd final section Morrison, Wakefield &amp; Greenwood Park Rds Spring Gully &amp; Gillentown Rds South St, Auburn</p> <p>All roads were re-sealed and completed Brothers Hill Rd Main Rd 45 Elder St Muanu Rd Michael Crt</p>
<p><u>Rural Resheeting</u> Alma Rd - from Range Rd to Stockport-Giles Corner Rd Dame St- from Blyth Rd to St Patricks Tce Mine St - from Hicks Rd to Dame St St Patricks Tce - from Dame St to St Georges Tce Blocks Rd (Leasingham) from Bend at RRD 2320 to Horrocks Hwy Marydale Rd from Brothers Hill Rd to Moores Rd Moores Rd from Freeman Rd to Marydale Rd Quondong Rd from Sunnyside Rd to Saddleworth Rd Flagstaff Rd - from Barrier Hwy to Fairview Rd Koonoona Rd - from Council Boundary (North) to Black Springs Rd Woodlands Brae Rd - from Council Boundary (West) to Start of Seal Diagonal Rd (North) - from Bennys Hill Rd to Spring Gully Rd The Link Rd - from Horrocks Hwy to Barrier Hwy Dudley Rd - from End of Seal to Pearson Rd Pearson Rd - from Dudley Rd to Hilltown Rd Riverview Rd from Smart Rd 3km north Great Northern Rd - from Leasingham Rd to Start of Seal Pine Creek Rd (North) - from Dixon Rd to Vogts Rd Priors Rd - from Curio Rd to Roehr Rd Range Rd - from Powerline South Rd to MR 45 Priests Rd - from Blatchford Rd to Sandows Rd Surrey Ln- from Horrocks Hwy to Pawelski Rd Mt Rufus Rd - from Hentschke Rd to Road Reserve at RRD 9065 Polish Hill Rd - from End of Seal to Mt Rufus Rd Rubbish Tip Rd - from Horrocks Hwy to Rubbish Tip Entrance Blocks Rd, Riverton - from Windy Hill Rd to Road Reserve at RRD 3570 Ettrick Rd - from Hondows Rd to Blazes Rd Garryowen Rd - from Riverton Rd to Road Reserve at RRD 1560 Ryelands Rd - from Bruce Rd towards Hesters Rd 3km section Ettrick Rd - from Greenslades Rd to Saddleworth Rd Golf Course Rd, Saddleworth - from Klems Rd to Hentschke Rd Vogts Rd - from 2345m from Barrier Hwy to 3424m from Barrier Hwy Observatory Rd - from End of Seal to Bend at 70m Sth of Farm Driveway Frederick Rd - from Rehder Rd to Tothill Creek Rd Priors Rd - from Roehr Rd to Council Boundary (South) Tothill Belt Rd - from Tothill Creek Rd to Braewood Rd Tothill Creek Rd - from Tothill Belt Rd to Frederick Rd Quondong Rd - from Golf Course Rd to Sunnyside Rd Mt Horrocks Rd - from Horrocks Hwy to Springvale Rd Wakefield Rd - from Upper Skilly Rd to Lower Skilly Rd</p>	<p>All rural resheets were completed Alma Rd Dame St Mine St St Patricks Tce Blocks Rd, Leasingham Marydale Rd Moores Rd Quondong Rd Flagstaff Rd Koonoona Rd Woodlands Brae Rd Diagonal Rd (North) The Link Rd Dudley Rd Pearson Rd Riverview Rd Great Northern Rd Pine Creek Rd (North) Priors Rd Range Rd Priests Rd Surrey Ln Mt Rufus Rd Polish Hill Rd Rubbish Tip Rd Blocks Rd, Riverton Ettrick Rd Garryowen Rd Ryeland Rd Golf Course Rd, Saddleworth Vogts Rd Observatory Rd Frederick Rd Tothill Belt Rd Tothill Creek Rd Quondong Rd Mt Horrocks Rd Wakefield Rd</p>

# Development & Environment

2016/2017 KEY ACTIONS	2016/2017 OUTCOMES
Finalise the District Townships and Settlements Development Plan Amendment Report and update Council's Development Plan policy accordingly.	The Development Plan Amendment was approved by the Minister for Planning, Council's Development Plan was updated 10 November 2016
Encourage development that reflects the desired character outcomes for the Clare and Gilbert Valleys.	Developments are assessed against the desired character statements and policies contained within Council's Development Plan
Communicate with applicants and developers to ensure best development outcomes.	Attend pre-lodgement meetings with applicants and developers to discuss the proposals prior to the applications being lodged for assessment.
Retain and strengthen the economic potential of Primary Production land.	Continue to review planning policy to ensure that primary production land is protected through strong planning policy.
Identify and protect places of heritage and cultural significance, and desired town character.	State and Local Heritage places are identified in Council's Development Plan, applications are assessed to ensure that they are compatible with the characteristics of the heritage place. Council staff consult with Heritage Advisors to ensure that the heritage character is preserved.
Encourage development to be above the minimum Energy Efficiency Star Rating for environmental sustainability.	Development is assessed against the provisions contained within the National Construction Code and relevant Australian Standards.
Clare Township Development Plan Amendment.	Clare Township Development Plan Amendment Report Statement of Intent has been prepared and submitted to the Minister for Planning. Council are currently liaising with the Department of Planning, Transport and Infrastructure to move forward with the process



Timber Frame Inspection



## Finance

2016/2017 KEY ACTIONS	2016/2017 OUTCOMES
Steer the annual budget setting processes.	Annual Business Plan and Budget 2016/2017 was adopted by Council on 1 August 2016, following a period of public consultation.
Provide financial reports as required by departments to allow for effective monitoring.	Monthly reports provided with budget reviews quarterly.
Prepare external reports including Annual Financial Statements and Australian Bureau of Statistics Returns.	Annual Financial Statements for the year ended 30 June 2016 were adopted in November 2016 following a successful audit by Council's independent external auditors.
Facilitate the finalisation of the review of the Infrastructure and Asset Management Plan (AMP).	Ongoing in conjunction with Department Works & Infrastructure.
Revise ten year Long Term Financial Plan in conjunction with the AMP.	LTFP being revised in conjunction with AMP.
Continue to assist the Audit Committee as required by the Local Government Act.	Audit Committee Meetings held 8 August 2016, 2 November 2016, 8 February 2017 and 6 June 2017.
Internal control development.	Controls assessed and entered into Controltrak Internal Control program.
Procurement system development.	Ongoing in conjunction with changeover of computer systems.



# Strategic Plan 2020

**“Clare & Gilbert Valleys Council: attractive, prosperous, welcoming and harmonious”**

Clare & Gilbert Valleys will be a harmonious and welcoming community living in an attractive and culturally rich rural environment, with first class facilities, innovative business and internationally recognised local produce and services.

## Our Key Priority Areas

### 1. Community Well Being

Outcome	Strategy	Measure of success	Target
An exceptional quality of living for all, with opportunities available for people of all ages and abilities	<ul style="list-style-type: none"> <li>Encourage participation in youth development programs conducted by local service clubs.</li> <li>Support the provision of youth development programs.</li> <li>Work in partnership with existing service providers and local businesses to assist older people by providing activities and support services that meet their needs.</li> <li>Universal access to Council facilities and services.</li> <li>Identify and access external funding that will support infrastructure development and other strategies for all people.</li> <li>Collaborate with Regional Development Australia Yorke and Mid North on the retention, growth and attraction of business, education, health and government services to the local area.</li> <li>Support the provision of jobs facilities and services to encourage the recruitment and retention of young families.</li> </ul>	<ul style="list-style-type: none"> <li>Reported satisfaction with feeling part of the community.</li> <li>Increased participation in youth development programs.</li> <li>Reported quality of life improvements for all people living in the local area.</li> <li>A well promoted program of regular activities and support services throughout the local area.</li> <li>Number of new families taking up residences.</li> <li>Number of new homes being built.</li> </ul>	<ul style="list-style-type: none"> <li>2017-2020</li> <li>5% annual Increase</li> <li>2017-2020</li> <li>2017-2020</li> <li>2017-2020</li> <li>2017-2020</li> </ul>
Strong community leadership and an active and engaged volunteer sector	<ul style="list-style-type: none"> <li>Promote volunteering opportunities and assist groups to promote community wellbeing.</li> <li>Support viable community organisations through collaboration and joint use of facilities.</li> <li>Assist community organisations locate and access funding for community projects.</li> <li>Create an up to date volunteer database.</li> <li>Provide a volunteering portal on Council's website.</li> </ul>	<ul style="list-style-type: none"> <li>Community leaders and volunteers are rewarded and recognised.</li> <li>Increased proportions of people involved in volunteer activities.</li> <li>An up to date volunteer contact database and a 'volunteering opportunities' portal on Council's website.</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> <li>5% annual increase</li> <li>30 June 2017</li> </ul>
A united, transparent and equitable vision for the whole local area	<ul style="list-style-type: none"> <li>A Strategic Plan that links to the Long Term Financial Plan (LTFP) and the Annual Budget. This will detail strategies and projects for Council and is intended to inform Council decision-making into the future.</li> <li>Transparent and well communicated distribution of Council funding and key projects through regular updates with the community.</li> </ul>	<ul style="list-style-type: none"> <li>Strategic Plan, LTFP and Annual Budget are completed and regularly inform Council decision making processes and direction.</li> </ul>	<ul style="list-style-type: none"> <li>Annual review and update</li> </ul>

## 2. Recreation and Lifestyle

Outcome	Strategy	Measure of success	Target
<p>A vibrant arts and cultural sector where creative people thrive and residents and visitors can enjoy visual arts and performance</p> <ul style="list-style-type: none"> <li>Places and spaces for performance and creative expression</li> <li>Events and festivals all year round</li> <li>Nighttime entertainment including restaurants, bars and activities</li> </ul>	<ul style="list-style-type: none"> <li>Conduct a review of Arts and Culture services and report findings to Council.</li> <li>Support initiatives and opportunities that grow participation and appreciation of the arts and culture.</li> <li>Investigate the opportunities to meet the identified need for a public art gallery space and other heritage and cultural services.</li> <li>Review the role and function of the Council property located in the Clare Town Centre Precinct.</li> <li>Encourage, facilitate and support community events and festivals that celebrate the strengths of the local area and attract visitors.</li> <li>Form an events policy.</li> <li>Collaborate with VAPAA and HATs to coordinate advocacy and promotion of arts and culture in the local area.</li> <li>Implement the agreed outcomes from the 2015 Imagining Clare project.</li> </ul>	<ul style="list-style-type: none"> <li>Review of Arts and Cultural Services is completed, findings reported to Council, and recommendations considered/ taken forward.</li> <li>Feasibility studies are conducted to explore and meet the identified need for a public art gallery space and other heritage and cultural services.</li> <li>Increased attendance numbers at Community events.</li> <li>Completed events policy that strengthens Council's commitment to supporting and facilitating successful community events.</li> </ul>	<ul style="list-style-type: none"> <li>30 June 2016</li> <li>31 December 2017</li> <li>2% annual increase</li> <li>30 June 2016</li> </ul>
<p>A healthy and active community supported by a range of tailored services and facilities</p>	<ul style="list-style-type: none"> <li>Conduct a review of the Valleys Lifestyle Centre &amp; Riverton Swimming Pool.</li> <li>Be a leader in the community in developing health, fitness and recreation, and seek better health and lifestyle outcomes through the OPAL network.</li> <li>Investigate the feasibility of providing a new/upgraded playground in the local area.</li> <li>Apply and access funding opportunities to grow, maintain and develop recreation throughout the region.</li> </ul>	<ul style="list-style-type: none"> <li>Completed review of the Lifestyle Centre &amp; Riverton Swimming Pool, and a feasibility study for a new/ upgraded playground in the local area.</li> <li>Community satisfaction with Libraries; Cleanliness of Streets; Parks, reserves and playgrounds; Sporting facilities; Community Halls; Youth facilities.</li> <li>Increase recreational opportunities available.</li> </ul>	<ul style="list-style-type: none"> <li>30 June 2016</li> <li>Ongoing</li> <li>Ongoing</li> </ul>
<p>A warm and welcoming local area with a rich rural identity</p>	<ul style="list-style-type: none"> <li>Create and maintain a sense of identity for the region.</li> <li>Promote the region, its facilities and attractions within the community and externally.</li> <li>Develop the entrances to the Clare &amp; Gilbert Valleys and the townships, promoting the region.</li> </ul>	<ul style="list-style-type: none"> <li>Improved visitor perceptions of the local area.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>

### 3. Natural & Built Environment

Outcome	Strategy	Measure of success	Target
Sustainable land use development, affordable, appropriate and accessible housing	<ul style="list-style-type: none"> <li>Implementation of the approved program from the Strategic Directions Review through investment in Development Plan Amendments for the Council area under the Development Act.</li> <li>Implement Development Plan Amendment (DPA) for the Clare Township and District Townships and Settlements.</li> <li>Provide opportunities for higher density housing in Clare.</li> <li>Encourage and attract private investment and property developers to invest in retirement facilities and seasonal and short term accommodation in the region.</li> </ul>	<ul style="list-style-type: none"> <li>Completed DPAs.</li> <li>Land rezoned, relevant development applications approved and development controls implemented.</li> <li>Number of new residential allotments created.</li> <li>Number of new residences built.</li> </ul>	<ul style="list-style-type: none"> <li>Progressive rollout 2020</li> <li>Supported by DPA changes</li> <li>Ongoing investment in new residential development</li> </ul>
Distinctive heritage buildings are protected and celebrated	<ul style="list-style-type: none"> <li>Implement DPA review with respect to Heritage Places</li> <li>Support projects that enhance sustainability, conservation and economic contributions of heritage assets.</li> <li>Encourage the community to be involved in preserving and promoting the history and heritage of the district.</li> </ul>	<ul style="list-style-type: none"> <li>Completed DPA.</li> <li>Key heritage buildings restored, regularly maintained and well-used.</li> </ul>	<ul style="list-style-type: none"> <li>2019</li> <li>2016-2020</li> </ul>
Parks, streets and public spaces are attractive, safe and promote social interaction	<ul style="list-style-type: none"> <li>Provide visitor-friendly commercial centres with attractive streetscapes.</li> <li>Encourage a 'no empty windows' program in local town centres.</li> <li>Increase street lighting along main thoroughfares in towns.</li> <li>Encourage the establishment of township street-tree themes in collaboration with Peak Bodies.</li> <li>Encourage and support community volunteers to work with Council on the presentation and upkeep of townships and district assets.</li> <li>Support ongoing improvement of visitor facilities at recreation parks located in Riverton, Saddleworth and Auburn.</li> <li>Seek funding partners to establish a pilot low-impact street lighting project in Stockport, to support the location of the Stockport Observatory.</li> <li>Seek funding partners to carry out an underground power line project on the eastern side of the Clare Oval.</li> </ul>	<ul style="list-style-type: none"> <li>Improved perceptions of the quality of public spaces and facilities.</li> <li>Success in encouraging empty windows in commercial centres to be utilised.</li> <li>Improved perception of safety.</li> <li>Street tree themes apparent within townships.</li> <li>Town and district assets well presented.</li> <li>Recreation park visitor facilities improved.</li> <li>Pilot street lighting project in Stockport complete.</li> <li>Underground power in the memorial precinct of Clare complete.</li> <li>Completion of the Riverton Main Street improvement program.</li> <li>Implementation of the 'Colours of Clare' project.</li> </ul>	<ul style="list-style-type: none"> <li>2017-2020</li> <li>2016-2020</li> <li>2017-2020</li> <li>Annual upgrade</li> <li>2017-2020</li> <li>2017-2020</li> <li>2020</li> <li>2020</li> <li>2019</li> <li>2016-2020</li> </ul>

### 3. Natural & Built Environment (cont)

Outcome	Strategy	Measure of success	Target
Natural bush land, river systems and habitats are healthy and protected	<ul style="list-style-type: none"> <li>• Collaboration with the Northern Yorke Natural Resource Management (NRM) Board on the protection of threatened species in the context of lands and roadsides controlled by Council.</li> <li>• Assessment of cemeteries under Council's jurisdiction for significant remnant vegetation areas, in collaboration with Northern &amp; Yorke NRM Board.</li> <li>• Financial and physical support for the five Bush for Life sites and the role of volunteers encouraged.</li> <li>• Support the NRM Board in the development of programs for the control of mistletoe.</li> <li>• Support the sustainable management of river systems and the implementation of programs to reduce the risk of flood.</li> </ul>	<ul style="list-style-type: none"> <li>• No loss of endangered and threatened species, populations and ecological communities.</li> <li>• Audit of cemeteries for significant remnant vegetation areas and management of cemeteries in the context of their primary function as a place for burial.</li> <li>• Increased effectiveness of invasive weed control.</li> <li>• Five Bush Care sites retained and biodiversity improvements evident.</li> <li>• Implementation of mistletoe control programs</li> <li>• Removal of woody weeds from rivers.</li> <li>• Investment in stormwater management systems.</li> </ul>	<ul style="list-style-type: none"> <li>• Support NRM programs</li> <li>• 2018 - with NRM</li> <li>• Review annually</li> <li>• Ongoing</li> <li>• Support NRM programs</li> <li>• 2016-2020</li> <li>• 2016-2020</li> </ul>
Agricultural practices are sustainable and ecologically friendly  "Clean Green"	<ul style="list-style-type: none"> <li>• Protect agricultural land that has the capacity for local food production.</li> <li>• Encourage the development of agricultural research capabilities and the provision of professional services to enhance production capabilities.</li> <li>• Investigate the merit of Council engaging with the Mount Lofty Ranges Agrarian Landscapes World Heritage Bid.</li> </ul>	<ul style="list-style-type: none"> <li>• Increased number of people involved in agriculture.</li> <li>• Being an active partner in the Agrarian Landscapes project.</li> </ul>	<ul style="list-style-type: none"> <li>• 2017-2020</li> <li>• 2018</li> </ul>
Energy, water and natural resources are used sensibly and waste is reduced	<ul style="list-style-type: none"> <li>• Encourage businesses and the community to participate in waste minimisation and recycling opportunities.</li> <li>• Free transfer/ recycling depot.</li> <li>• Encouragement of alternative renewable energy production whilst protecting important landscapes from inappropriate development.</li> <li>• Implement sustainable water use principles for public spaces.</li> <li>• Promote resource recovery through programs to minimise waste to landfill.</li> <li>• Expand access to waste collection and recycling services to rural areas</li> <li>• Purchasing and procurement practices to include assessments of packaging, energy efficiency, potential for recycling, greenhouse gas implications and local business development.</li> <li>• Investigation of alternative means of energy production.</li> </ul>	<ul style="list-style-type: none"> <li>• Waste to landfill is proportionally reduced.</li> <li>• Implemented solar power generation.</li> <li>• Increased volume of recycled water use.</li> <li>• Recycling services are available in rural areas.</li> <li>• Adopted Procurement and Tendering Policy is upheld.</li> <li>• Alternative means of energy production considered.</li> </ul>	<ul style="list-style-type: none"> <li>• Review annually</li> <li>• 2016-2020</li> <li>• 2017-2020</li> <li>• 2018</li> <li>• Ongoing</li> <li>• 2016-2020</li> </ul>

## 4. Business & Economy

Outcome	Strategy	Measure of success	Target
<p>The local area is internationally recognised for its high quality, niche products and services attracting investment and talent</p>	<ul style="list-style-type: none"> <li>Through investment and partnership with Regional Development Australia explore opportunities to draw on current strengths of the local area in order to attract investment and increase visitation, including community and industry workshops, as well as the potential for a local 'investment prospectus'.</li> <li>Support Regional Development Australia Yorke and Mid North in the identification and development of new tourism product opportunities with commercial potential.</li> <li>Support the Clare Valley Winemakers in the promotion of the Clare Valley as the "Heart of Riesling" in Australia.</li> <li>Support CVBTA in the development and promotion of a "Buy Local" campaign.</li> <li>Encourage tourist accommodation that is designed for sustainability and linked to the natural landscape and character of towns, including the upgrading of existing caravan parks and camping facilities.</li> <li>Support community groups in sustaining markets within the Council Region.</li> </ul>	<ul style="list-style-type: none"> <li>Workshops with community, industry and Councillors completed and recommendations considered /taken forward.</li> <li>New and expanded tourism offerings are evident.</li> <li>Increased number of visitors to the area/ customers at visitor information centres.</li> <li>Increased proportions of locally sourced food and products available to residents and visitors.</li> <li>Establishment and implementation of Council purchasing and procurement policies and practices that support local economic development.</li> </ul>	<ul style="list-style-type: none"> <li>2017-2020</li> <li>2017-2020</li> <li>Increased numbers reported by CVWFTC</li> <li>Support CVC campaign</li> <li>30 June 2017</li> </ul>
<p>The business environment is supportive and assists a variety of economic sectors and workforces.</p> <p>Local businesses are progressive, innovative and successful.</p>	<ul style="list-style-type: none"> <li>Pro-actively promote, support, attract and encourage sustainable economic development, investment and business opportunities in the district.</li> <li>Promote Clare as the regional centre for the Mid North of South Australia.</li> <li>Encourage retail growth and professional services to cater for the needs of residents and visitors.</li> <li>Support a digital hub for workers who commute to their place of employment.</li> <li>Encourage new business development focusing on the digital economy.</li> <li>Coordinate business forums and networks.</li> <li>Encourage commodity producers to value add and explore new markets.</li> </ul>	<ul style="list-style-type: none"> <li>Increase in the industry productivity of the local area.</li> <li>A digital hub delivered to improve access to and uptake of technology by the community and business.</li> <li>Business forums completed and support for business networks evident.</li> </ul>	<ul style="list-style-type: none"> <li>2016-2020</li> <li>2018 to coincide with NBN establishment</li> <li>2016-2020</li> </ul>

## 5. Transport & Infrastructure

Outcome	Strategy	Measure of success	Target
High-speed communications to connect businesses, residents and visitors	<ul style="list-style-type: none"> <li>Work in partnership to support the provision of high speed internet and telecommunications to all residents.</li> <li>Increase community skills and uptake of technology and online services.</li> </ul>	<ul style="list-style-type: none"> <li>Expanded coverage of high speed internet across the local area.</li> <li>Increased use of Council online services and social media.</li> <li>Reduction in enquiries for hard copy forms, letters etc.</li> </ul>	<ul style="list-style-type: none"> <li>2020</li> <li>Ongoing</li> <li>Annual reduction</li> </ul>
The road network is safe and efficient	<ul style="list-style-type: none"> <li>Advocate for improved public transport services and infrastructure.</li> <li>Create a long term plan for road maintenance and upgrades, including a prioritisation register.</li> <li>Actively pursue external funding (Federal and State Government grants and developer contributions) for road upgrades and improvements.</li> </ul>	<ul style="list-style-type: none"> <li>Roads are upgraded and maintained in accordance with the Asset and Infrastructure Management Plan.</li> <li>Reduced road crashes.</li> <li>Improved customer satisfaction with the quality of roads.</li> </ul>	<ul style="list-style-type: none"> <li>Annual review</li> <li>Support MAC campaigns</li> <li>Annual improvements imported</li> </ul>
Footpaths are safe, attractive and well maintained	<ul style="list-style-type: none"> <li>Create a long term plan for footpath maintenance and upgrades, including a prioritisation register.</li> <li>Roll out footpath upgrades as part of Clare town centre project.</li> </ul>	<ul style="list-style-type: none"> <li>Improved customer satisfaction with the quality of footpaths in local towns.</li> </ul>	<ul style="list-style-type: none"> <li>2017-2020</li> </ul>
Bicycle and walking trails are connected, accessible, safe and attractive	<ul style="list-style-type: none"> <li>Foster a bicycle-friendly district through the provision of world class bicycle trails and associated infrastructure, as well as the education of all road users.</li> <li>Upgrade signage and interpretive information about pedestrian / cycling trails, loops and links.</li> <li>Lobby for State / Federal Government funding for the development and maintenance of the trails network (Riesling, Rattler, Mawson, Lavender and Heysen).</li> <li>Collaborate and negotiate with nearby Councils for the establishment of interconnecting trails.</li> </ul>	<ul style="list-style-type: none"> <li>Increased number of people using cycling, walking or riding trails.</li> <li>Additional cycling, walking and riding trails in the local area.</li> </ul>	<ul style="list-style-type: none"> <li>Increased numbers</li> <li>2017-2020</li> </ul>
Community transport is accessible and well used	<ul style="list-style-type: none"> <li>Conduct a community education program promoting the community transport services available in the local area, and make information readily available and accessible to the community.</li> </ul>	<ul style="list-style-type: none"> <li>Increased number of people using community transport.</li> </ul>	<ul style="list-style-type: none"> <li>2.5% increase</li> </ul>

## 5. Transport & Infrastructure (cont)

Outcome	Strategy	Measure of success	Target
Car parking is safe and accessible	<ul style="list-style-type: none"> <li>Undertake strategic site acquisition and development of off-street car parking in Clare.</li> <li>Establish a sound and sustainable funding base to provide for off-street car parking to meet business needs.</li> <li>Upgrade signage to off-street car parking areas.</li> <li>Review the relevance and appropriateness of time limit parking restrictions.</li> <li>Review disability parking provisions with stakeholders and service providers.</li> </ul>	<ul style="list-style-type: none"> <li>Increase in number of off street parking spaces in Clare.</li> <li>Appropriate signage for parking areas installed.</li> <li>Completed review of time limit parking restrictions.</li> <li>Completed review of disability parking provisions.</li> </ul>	<ul style="list-style-type: none"> <li>2016-2020</li> <li>2016</li> <li>2018</li> <li>2016</li> </ul>
Council-owned land and buildings are fulfilling a useful function and providing public value	<ul style="list-style-type: none"> <li>Explore new ways that existing assets can be better utilised to meet current emerging and future needs of residents and visitors. New uses, for example, might include community services centres, men's sheds, art galleries, studios, meeting/ conference facilities and commercial enterprises.</li> <li>Explore the disposal or transfer of redundant assets that are no longer achieving an adequate level of public utility or public value.</li> </ul>	<ul style="list-style-type: none"> <li>Feasibility studies for key assets are completed, and the best future community use of existing Council assets are determined.</li> </ul>	<ul style="list-style-type: none"> <li>2019</li> </ul>

## 6. Council Leadership & Organisational Sustainability

Outcome	Strategy	Measure of success	Target
A resilient community	<ul style="list-style-type: none"> <li>Review and monitor Council's Emergency Management Plan to ensure readiness for Council's role in emergency incident management and recovery.</li> <li>Work in partnership with the community to develop Personal Emergency Plans, raise awareness of risks, and provide resilience training.</li> <li>Monitor and review the Business Continuity Plan to ensure readiness for disruptive events.</li> <li>Collaboration with the Bushfire Prevention Committee on measures to reduce fire risk.</li> <li>Support the ongoing operation of the Clare &amp; Gilbert Valleys Dry Zone Committee.</li> <li>Support Floodsafe education programs with a budget provision</li> </ul>	<ul style="list-style-type: none"> <li>Informed Emergency Management Plan is up to date and regularly reviewed.</li> <li>The community feels safe and know where to go for information.</li> <li>Community resilience education sessions are held biennially.</li> <li>Best practice defensive measures for community resilience are promoted.</li> <li>Social, economic and environmental impacts arising from extreme events are reduced.</li> <li>Floodsafe education programs are run in at risk communities.</li> </ul>	<ul style="list-style-type: none"> <li>Reviewed annually 2017-2020</li> <li>2017-2020</li> <li>2016-2020</li> <li>2016-2020</li> <li>2016-2020</li> </ul>

## 6. Council Leadership & Organisational Sustainability (cont)

Outcome	Strategy	Measure of success	Target
Improved financial sustainability	<ul style="list-style-type: none"> <li>• Ensure equity in Council's rates, charges, fees and funding decisions.</li> <li>• Ensure that Council follows a responsible debt management policy.</li> <li>• Review whole of life costs for Clare, Saddleworth and Riverton Community Waste Management Scheme projects.</li> <li>• Negotiate additional pathways for waste water reuse as a buffer for Clare, Riverton and Saddleworth Community Waste Water Management Schemes.</li> <li>• Ensure recovery of fees and charges through development contributions is adequate to support infrastructure and capacity requirements.</li> <li>• Ensure sustainable management of Council's asset portfolio.</li> </ul>	<ul style="list-style-type: none"> <li>• Above industry benchmarks for Council's financial performance.</li> <li>• All Community Waste Water Management Schemes are reviewed, and policies adopted by Council.</li> <li>• Infrastructure and asset management targets achieved.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual review by Audit Committee 2017</li> <li>• Annual review</li> </ul>
Streamlined Council processes and procedures that meet legislative requirements	<ul style="list-style-type: none"> <li>• Proportionate allocation of resources to manage legislative requirements.</li> <li>• Encourage and facilitate responsible pet ownership and environmental responsibilities whilst maximising public safety.</li> <li>• Reform planning processes and procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• Increased customer satisfaction with Council.</li> <li>• Faster development assessment turnaround times.</li> <li>• Positive feedback from applicants, development industry and rate payers.</li> </ul>	<ul style="list-style-type: none"> <li>• Increased annually</li> <li>• Increased annually</li> <li>• Increased annually</li> </ul>
A modern, efficient and accessible IT system and Council website	<ul style="list-style-type: none"> <li>• Build digital and social media connection channels.</li> <li>• Increase the level of online business transactions available through Council.</li> <li>• Establish video conferencing facilities at Council.</li> </ul>	<ul style="list-style-type: none"> <li>• Improved awareness of council services and facilities.</li> <li>• Increased community utilisation of social media.</li> <li>• Increased number of online surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Ongoing</li> <li>• Increased number of surveys</li> </ul>
Strong leadership	<ul style="list-style-type: none"> <li>• Investment in Council Member and staff leadership training.</li> <li>• Implement a workforce planning strategy and a succession plan.</li> <li>• Ensure transparency in Council's decision making.</li> </ul>	<ul style="list-style-type: none"> <li>• Budget allocated for Council Member and staff training and development.</li> <li>• Workforce planning strategy completed.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual review</li> <li>• 2016</li> </ul>

# Application of Competition Principles – National Competition Policy

The Clare & Gilbert Valleys Council is committed to the application of national competition principles, the process for which is set out in the “Statement on the Application of Competition Principles for Local Government” known as the Clause 7 Statement.

All Councils in South Australia are required to identify activities that they are involved in which would be classified as “significant business activities” as defined in the National Competition Policy.

In broad terms “significant business activities” are defined as those activities where the costs are met predominantly from the user, rather than from rates or other revenue sources, and Council is conducting the activity with a view of earning a return, rather than meeting a community need that would not otherwise be met. The National Competition Policy is not intended to apply to non business, non profit government activities.

Any identified “significant business activities” must then be categorised further into Category One and Category Two activities.

Category One business activities are those with an annual revenue in excess of \$2 million, or employing assets with a value in excess of \$20 million.

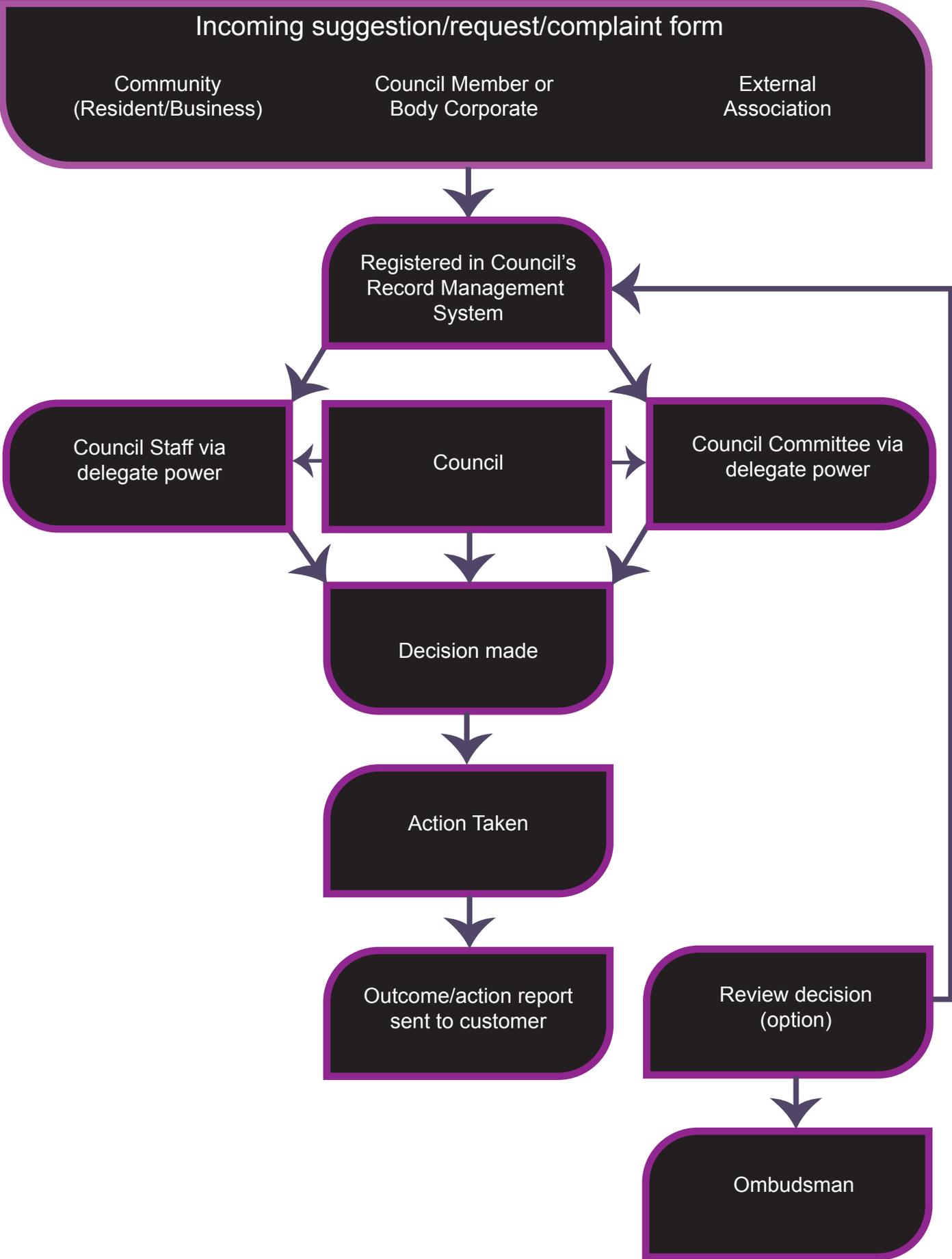
In accordance with the above the Clare & Gilbert Valleys Council has not identified any Category One significant business activities.

Category Two business activities are those that either generate income or consume resources and which are significant to the Council concerned.

The Clare & Gilbert Valleys Council has not identified any Category Two business activities.



# Decision making structure of Council



## Public Consultation

The Clare & Gilbert Valleys Council maintains a Public Consultation Policy. This was developed and adopted in accordance with Section 50 of the Local Government Act 1999. Section 50 requires the policy to identify steps Council intends to take where the Act requires consultation and provides for the steps to vary according to the class of decisions to be made by Council.

The purpose of this Policy is to outline the principles and procedures that the Council will follow to involve the community in planning and decision making in the local area, and to ensure accountability of the Council to the community through effective communication and consultation strategies.

To fulfil the requirements of this Policy, Council has identified a range of options available to it to communicate information to interested persons and invite submissions.

As a minimum, Council will publish a notice in a newspaper circulating in the area describing the matter for which public consultation is required, and inviting persons to make submissions to the Council within a period, being at least twenty one days from the date of the notice. Council will consider any submission received as part of its decision making process and will have regard to any relevant legislation.

The Clare & Gilbert Valleys Council is committed to transparent decision making processes and to providing access to a fair and objective procedure for the internal review of decisions.

### Council Committees

Council has the following Committees established under Section 41 of the Local Government Act:

- Auburn Recreation Park
- Auburn Institute
- Clare Town Hall
- Manoora Hall
- Riverton Recreation Ground Committee
- Dry Zone Working Party
- Fire Prevention Committee
- Clare and Gilbert Arts Committee
- Mid North Community Passenger Network Committee
- Audit Committee
- Strategic Asset Management Advisory Committee

## External Committees

Council also has Partnership Agreements with Community Peak Bodies from each of its townships to assist Council to liaise with ratepayers and residents.

These Peak Bodies are:

- Auburn Community Development Committee Inc
- Clare Community Development Committee (a sub committee of the Clare Valley Business & Tourism Association)
- Manoora Community Committee Inc
- Marrabel Districts Community Association Inc
- Mintaro Progress Association Inc
- Rhynie Improvement Scheme Inc
- Riverton Community Management Committee Inc
- Saddleworth District Community Association Inc
- Stanley Flat Soldiers Memorial Hall Inc
- Stockport Community Association Inc
- Tarlee Hall and Community Services Inc
- Waterloo Soldiers Memorial Hall Committee Inc
- Watervale Community Association Inc

# Human Resources Management

## Equal Employment Opportunity

Council maintains its commitment to equal employment opportunities. Council has staff who span a wide range of age groups, and Council maintains a relatively balanced gender representation. The Chief Executive Officer is appointed as the Equal Employment Officer.

The Chief Executive Officer is responsible for:

- developing and implementing an equal employment opportunity program relating to employment with the Council;
- developing and implementing other initiatives to ensure that employees have equal employment opportunities in relation to that employment.

Human Resources and Personnel Practices, Policies and Procedures are reviewed annually.

## Work Health & Safety

The Clare & Gilbert Valleys Council continues its endeavour to maintain a high standard of Work Health & Safety. Pursuant to the WorkCover Exempt Employer Standards, Council is required as an exempt employer, to set its own Work Health & Safety (WHS) objectives based on the organisation's own gap analysis and to integrate Work Health & Safety into the Council's Strategic Plan.

## Risk Management

A Risk Management Review was undertaken by the Local Government Association Mutual Liability Scheme (LGAMLS) to assess the level of application of risk management strategies in Council. Risk Management has widely been recognised as the key to good corporate governance and compliance and there is a growing trend in the area of legislation and certification to require that Risk Management principles be in place.



## Information on Remuneration of Senior Officers

As at 30 June 2017, the executive team consisted of the Chief Executive Officer and 4 Managers. For the executive team Remuneration packages ranged from \$123,000 to \$199,000.

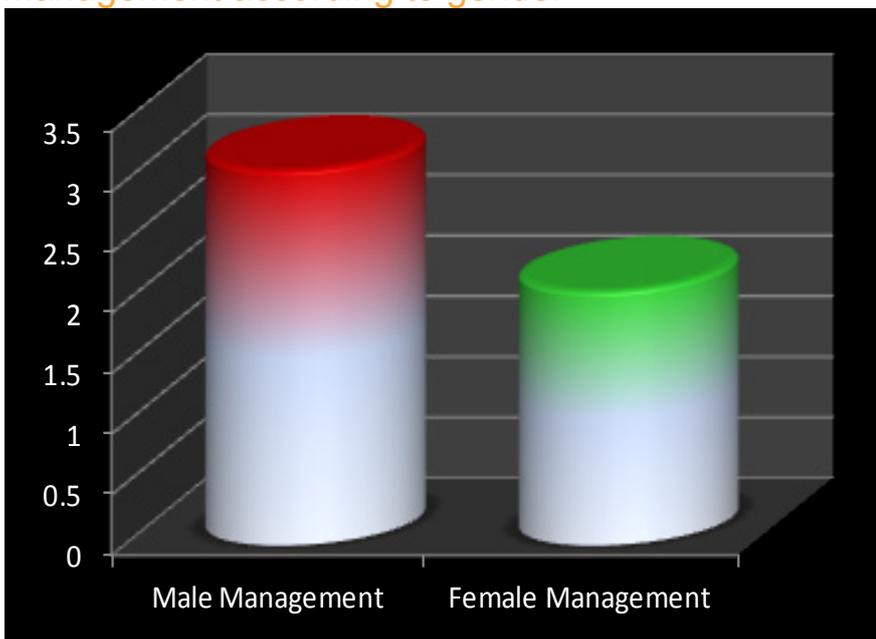
These packages include:

- Salary
- Superannuation
- Provision of a motor vehicle for private use.

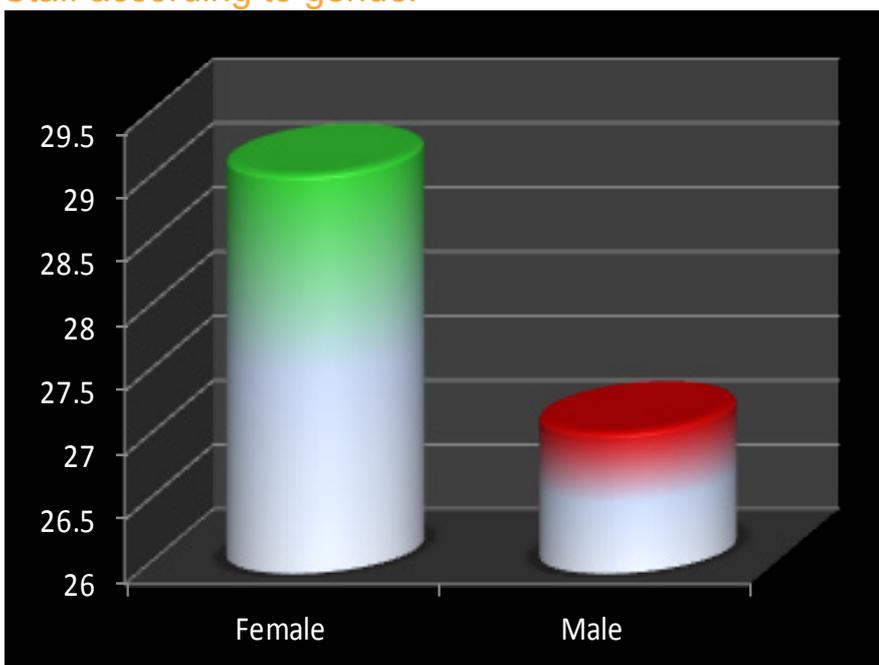
## Human Resources – Council Staff

Council employed a total workforce of 56 people which was equivalent to 48.4 full time employees as at 30 June 2017.

### Management according to gender



### Staff according to gender

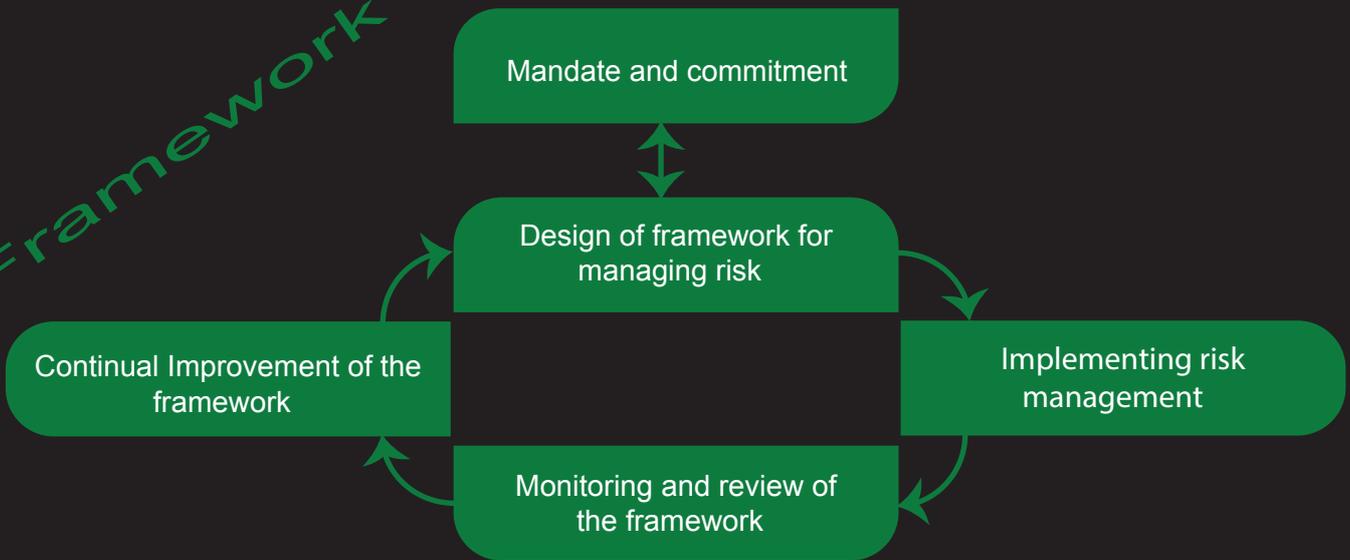




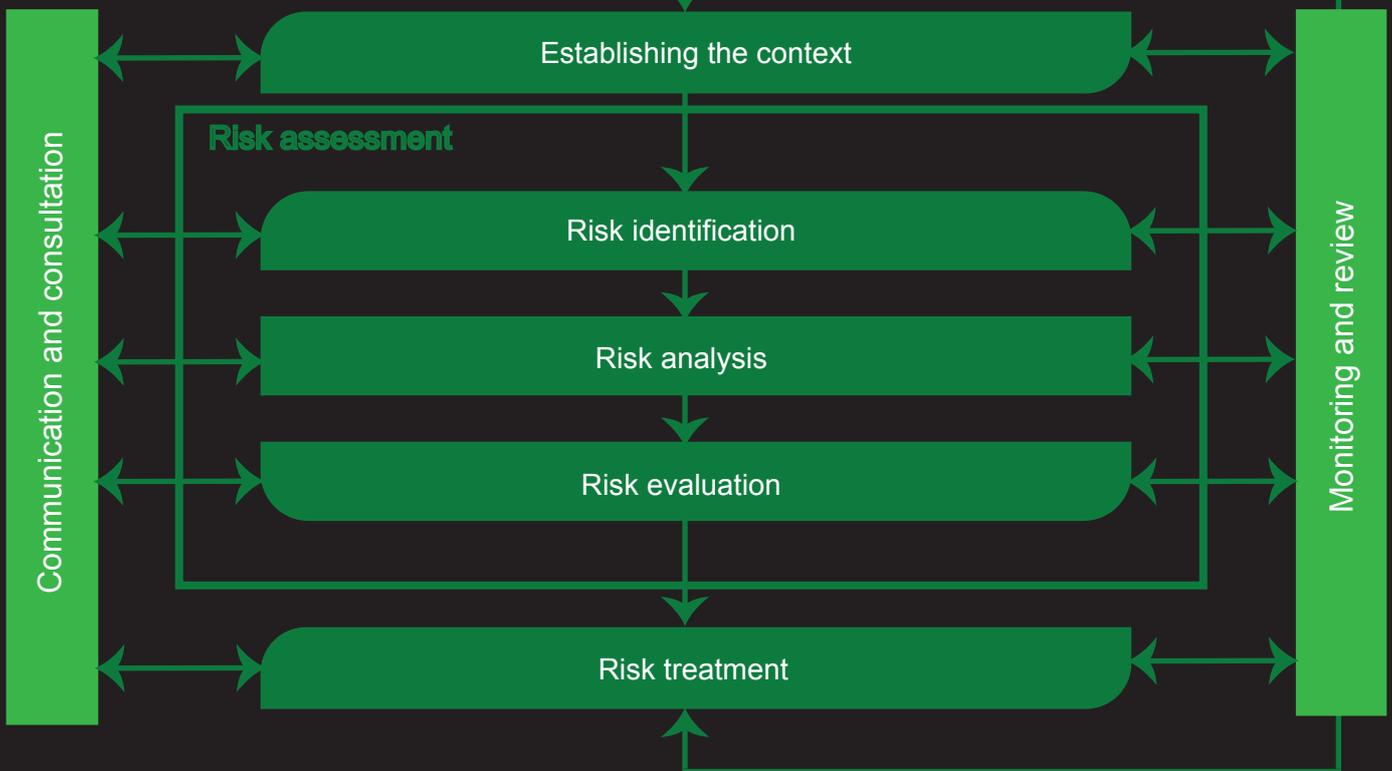
# Principles

- a) Create Value
- b) Integral part of organisational processes
- c) Part of decision making
- d) Explicitly addresses uncertainty
- e) Systematic, structured and timely
- f) Based on the best available informaton
- g) Tailored
- h) Takes human and cultural factors into account
- i) Transparent and inclusive
- j) Dynamic, interactive and responsive to change
- k) Facilitates continual improvement and enhancement of the organisation

## Framework



## Process



# Council Structure

## Community Elected Members

Acting Chief Executive Officer  
John Coombe OAM

Council Executive Services



# Community Land

All Local Government land became classified as Community Land when the Local Government Act came into effect from 2000.

The Clare & Gilbert Valleys Council progressively determined which land should be excluded pursuant to Section 193 of the Local Government Act, with community consultation occurring throughout this process. Following consideration of submissions Council made its decision on the land to be excluded.

A Community Lands Register is maintained by Council.

Where community land is being used for a specific purpose (eg being leased or a permit issued) management plans were prepared detailing the use of the land.

## Registers, Codes & Policies

In Accordance with Schedule 4 of the Local Government Act, 1999, the following Registers are held at Council's Principal Office:

- Register of Primary Interest—Council Members
- Register of Ordinary Interest— Council Members
- Register of Primary & Ordinary Interest—Council Chief Executive Officer
- Register of Allowances and Benefits—Council Members
- Register of Remuneration, Salaries and Benefits—Employees
- Register of Public Roads
- Register of Community Land

The following documents are also available for public inspection at the Clare & Gilbert Valleys Council offices and website ([www.claregilbertvalleys.sa.gov.au](http://www.claregilbertvalleys.sa.gov.au)), free of charge or copies may be purchased for a set fee:

- Documents (general, codes, policies and registers)
- Additional Connections to CWMSPolicy
- Application to Lay Underground Services
- Art Collection Policy
- Asset Policy
- Asset Strategy
- Audit Committee Policy
- Australia Day Awards Policy
- Budget Policy
- Building Fire Safety Committee Policy
- Car Parking Contribution Policy
- Caretaker Policy
- CDAP Complaint Handling Policy
- Clare Town Hall Hire Policy
- Code of Conduct for Council Employees
- Code of Conduct for Council Members
- Code of Practice for Access to Council Meetings & Documents
- Community Owned Property Rate Rebate & Service Charge Donation Policy
- Complaint Handling Policy
- Complaint Handling Procedure for Code of Conduct for Council Members

- Concession Pricing Policy
- Corporate Purchasing Card Procedure Policy
- Council Members' Allowances and Benefits Policy
- Council Members Appointment to External Boards
- Council Members Training and Development Policy
- Customer Service Protocol
- CWMS Customer Service Charter Policy
- Debt Collection Policy
- Deferral of Rates Due to Hardship Policy
- Development Assessment Procedures Policy
- Development Plan Consent Delegations Policy
- Disposal of Land & Assets Policy
- Elected Member Casual Vacancy Policy
- European Wasp Policy
- Event Management Strategy Policy
- Financial Hardship CWMS Policy
- Fines on Rates of Estate Properties
- Fraud & Corruption Prevention Policy
- Gifts & Benefits Register Council Members
- Informal Gatherings Policy
- Inspection of Building Work Policy
- Interaction of the Development Act, 1993 the State Records Act 1997 and the Freedom of Information Act 1991 with the Copyright
- Internal Financial Controls Policy
- Internal Review of Council Decisions Policy
- Late Payment of Rates and Sale of Land for Non Payment
- Media Contact Policy
- Mobile Food Vehicles Policy
- Nomenclature Policy
- Official Purchase Orders Policy
- Opening Prayer Policy
- Order Making Policy
- Outdoor Dining Policy
- Planting of Vines – Town Centre Policy
- Procurement Policy
- Public Consultation Policy
- Rate Policy
- Rate Rebate Policy
- Records Management Policy
- Request for Service Policy
- Risk Management Framework Policy
- Risk Management Policy
- Safe Environment Policy
- Scholz Park – August Scholz Travelling Trunk Policy
- Secondhand Transportable Dwellings Policy
- Section 41 Committees Financial Support
- Shipping and/or Sea Container Policy
- Social Media Policy
- Template of Publication of Register Policy
- Tree Planting on Roadsides Policy
- Treasury Management
- Unreasonable Complaint Conduct Policy

- Tree Management Policy
- Volunteer Policy
- Waiving of Development Fees for Not for Profit Organisations Policy
- Waste Management Charge Rebate
- Welcome to Country—Acknowledgement of Country
- Whistleblower Protection Policy

## Competitive Tendering & Cost Effective Services

### Purchasing Policies –

Council continues to strive to provide value for money in service delivery to the ratepayers of the Clare & Gilbert Valleys Council through the adoption and utilisation of purchasing and procurement Policies. In compliance with Section 49 of the Local Government Act 1999, Council has reviewed and adopted the Procurement & Tendering Policy and Disposal of Land & Assets Policy encompassing the following:

- Monetary limits;
- Use of Local Government Corporates Services Supply Agreements;
- Preferred Supplier Register;
- Quotations, tendering and evaluation;
- Outsourcing Council functions;
- Opportunities to enhance local economic development and growth.
- Additional considerations such as environment, buying locally, Australian made, health and safety and quality.
- Disposal of surplus goods, materials and Council land.
- During the past financial year the Council used the competitive tender process 13 times.

## Auditors' Remuneration

Council Auditors' Remuneration paid for the 2016/2017 audit of Council's financial statements was \$18,535.

# Elected Members

Clare & Gilbert Valleys Council comprises a Mayor and nine area Councillors. Council held a supplementary election for the ninth Councillor after the resignation of a Councillor late in the financial year.

The Council is responsible for policy making and decisions that impact on future plans for the district, and the lives and livelihoods of individuals, organisations and businesses within it.

The role of Council Members is to:

- Participate in the deliberations and civic activities of the Council
- Formulate the Council's objectives and policies
- Keep the Council's objectives and policies under review to ensure they are appropriate and effective
- Keep Council's resource allocation, expenditure and activities, and the efficiency and effectiveness of its service delivery under review
- Represent the interests of residents and ratepayers, to provide community leadership and guidance, and to facilitate communication between the community and the Council.



Mayor Allan Aughey  
OAM



Cr Di Schwarz



Cr Leon Bruhn



Cr Ian Burfitt



Cr Elizabeth Calvert



Cr Lucy Drummond



Cr Nedd Golding



Cr Jeremy Kells



Cr Helen Perry



Cr Tim Siv

## Council Members of the Council

Council Members allowances	
Mayor	\$53,086
Deputy Mayor	\$16,334
Councillors	\$13,139

The allowances after the November 2014 Election were determined by the South Australian Remuneration Tribunal in accordance with the Local Government Act.

In addition, Council Members are provided an iPad to receive information from Council, including a communication allowance of \$600 per annum. A travel allowance for “eligible journeys” (as defined in Regulation 3 of the Local Government (Members Allowances and Benefits) Regulations 1999 at the rate per kilometre prescribed in Section 82KX(1)(a) of the Income Tax Assessment Act 1936 is available.

Also a Travel Time Payment is payable to members where applicable. Allowances of \$344 and \$574 per annum is payable to Council Members whose usual place of residence is within the relevant Council area and is located at least 30 kms but less than 50 kms and 50 kms to 100 kms, respectively, from Council’s principal office.

## Meeting Attendance

A total of twelve (12) Ordinary Council meetings and twelve (12) Special Council meetings were held during the year.

Meetings attended from July 2016 to June 2017

Council Members	Ordinary Meetings Attended Total 12	Special Meeting Attended Total 12
Mayor Allan Aughey OAM	12	11
Deputy Mayor Cr Dianne Schwarz	11	11
Cr Elizabeth Calvert	11	9
Cr Lucy Drummond	8	7
Cr Ian Burfitt	11	12
Cr Helen Perry	11	11
Cr Jeremy Kells	11	8
Cr Leon Bruhn	11	8
Cr Nedd Golding	12	11
Cr Tim Siv	6	3

## Council Members’ Training

Council maintains a register of training and development activities attended by Council Members. Over the last 12 months activities have included:-

- Council and Committee Meetings
- Local Government Association – Annual General Meeting & Conference

## Elector Representation

The Council comprises of a total area of 185,142 hectares. There are 9 Councillors, plus the position of Mayor.

Council has completed a review in 2017 of its composition and elector representation arrangements in accordance with the requirements of Section 12 (4) of the Local Government Act 1999 (the Act).

Pursuant to Section 12 (13) (a) of the Act, the Electoral Commissioner has certified that the review undertaken by Council satisfies the requirements of Section 12 of the Act. As such, the following structure will be put into effect as of the day of the first periodic Local Government election held after the publication of this notice.

- The principal member of Council will be a mayor, elected by the community.
- The Council area will not be divided into wards.
- The future elected body of Council will comprise the mayor and nine (9) area councillors.

The current representation quota for the Council is 667 electors per Council Member.

A comparison with councils of similar size and type reveals the following:

Council	Number of Councillors	Number of Electors	Representation Quota
Berri Barmera	9	7,327	814
Clare & Gilbert Valleys	10	6,676	667
Grant	10	5,441	544
Light	11	10,145	922
Mid Murray	10	6,377	637
Naracoorte Lucindale	11	5,782	525
Renmark Paringa	9	6,376	708
Tatiara	10	4,532	453
Wakefield	10	4,775	477

# Council Committees

## Audit Committee

Council has three independent members, one being the Presiding Member on the Council Audit Committee. The Presiding Member receives an allowance of \$1,320 (inc gst) per meeting and the independent members are paid an allowance of \$250 per meeting plus travelling. The Audit Committee Annual Report 2016/2017 is included on page

Member	Appointed	Term Expires
Presiding Member – Mr John Comrie	Meeting April 2015	April 2019
Independent Member – Mr Ian Swan	Meeting April 2015	April 2019
Independent Member – Ms Patricia Flood	Meeting July 2015	July 2019
Council Member – Mayor Allan Aughey OAM	Meeting November 2014	November 2018
Council Member – Councillor Jeremy Kells	Meeting November 2014	November 2018

## Council Development Assessment Panel

The Council Development Assessment Panel consists of four Independent Members and three Council Members. The Presiding Member is also one of the Independent Members of the Panel. The Presiding Member receives an allowance of \$449 per meeting plus overnight accommodation. The Independent Members receive an allowance of \$208 per meeting.

	Appointed Council Meeting	Term Expires
<b>Independent Members</b>		
Presiding Member - Stephen Hains	5 December 2016	1 October 2017
Greg Pulford	5 December 2016	1 October 2017
Ben Plowman	5 December 2016	1 October 2017
Paul Mickan	5 December 2016	1 October 2017
<b>Council Members</b>		
Cr Helen Perry	5 December 2016	1 October 2017
Cr Ian Burfitt	5 December 2016	1 October 2017
Cr Elizabeth Calvert	5 December 2016	1 October 2017



# Confidentiality

Under Section 90(2) & 91(7) of the Local Government Act, the following information is provided with regard to the Confidential Items raised at Council Meetings from 1 July 2016 to 30 June 2017

The number of orders that expired or ceased to apply during the 2016/17 financial year: 18

The number of orders that were revoked during the 2016/17 year: 0

The number of orders that remained operative during the 2016/17 financial year: 5

Council undertakes a review of any orders made under Section 91(7). A Confidential Items Register is kept on any orders made under Section 91(7) which contains the date of original meeting, subject, section and date of release.

Date	Subject	Section	Released
12/10/15	CEO Performance Review	90(3)(a)	12/10/16
26/10/15	CEO Performance Review	90(3)(a)	12/10/16
16/11/15	Chief Executive Officer Performance Review	90(3)(a)	16/11/16
7/12/15	Purchase of combination rollers	90(3)(d)	7/12/16
11/4/16	Sale of Land for Non Payment of Rates	90(3)(a)	24/12/16
20/06/16	Discovery Holiday Parks	90(3)(d)	20/9/16
20/6/16	SJM Carpentry & Building Pty Ltd – Development Proposal	90(3)(a)	20/6/17
11/7/16	Strategic Land Purchase Opportunity	90(3)(d)	2/12/16
5/9/16	Strategic Land Purchase Opportunity	90(3)(d)	16/9/16
20/6/16	Discovery Holiday Parks	90(3)(d)	20/9/16
6/10/16	Police Paddock / William Street, Clare Easement	90(3)(d)	20/9/16
30/1/17	Valleys Lifestyle Centre Outsourcing	90(3)(d)	31/1/17
6/2/17	Performance Review of the Chief Executive Officer	90(3)(a)	
20/2/17	Riverton Old Depot	90(3)(d)	13/6/17
6/3/17	Valleys Lifestyle Centre Outsourcing	90(3)(d)	5/6/17
27/3/17	Performance Review of the Chief Executive Officer	90(3)(a)	27/6/17
10/4/17	Riverton Old Depot	90(3)(d)	13/6/17
10/4/17	Cleaning Tender Contract	90(3)(d)	14/6/17
17/4/17	Confidential Staffing Matter	90(3)(a)	
22/5/17	Flood Damage Tenders	90(3)(d)	
17/4/17	Confidential Staffing Matter	90(3)(e)	19/6/17
22/5/17	Flood Damage Tenders	90(3)(d)	
19/6/17	The Domain, 202 Main North Road, Clare appointment of Real Estate Agent	90(3)(d)	

# Freedom Of Information Statement 2016/2017

Clare & Gilbert Valleys Council is required under section 9(1) and (1a) of the Freedom of information Act 1991 (SA) and section 132(3)(j) of the Local Government Act 1999 (SA) to publish every 12 months an up to date information statement.

## Profile of Council

The Clare & Gilbert Valleys Council was proclaimed on 1 July 1997, having been formed through the amalgamation of the District Council of Clare, the District Council of Riverton and the District Council of Saddleworth & Auburn.

Distance of Principal Office to Adelaide: 143km

Area of Council: 1,840km<sup>2</sup>

Distance of Council's sealed roads: 209km

Distance of Council's unsealed roads: 1,615km

Number of Rateable Assessments: 614

Number of Electors:

State Roll: 6,370

Council Roll: 100

Total: 6,470

Population: 9,023 (2016 Census) is dispersed.

Ranging from the district service towns of Clare, Riverton, Saddleworth and Auburn through to the villages of Stockport, Tarlee, Rhynie, Manoora, Marrabel, Waterloo, Mintaro, Penwortham, Leasingham, Watervale and Sevenhill.

The Council comprises of a total area of 185,142 hectares. There are 9 Councillors, plus the position of Mayor. The current representation quota for the Council is 667 electors per Elected Member. Council's next Elector Representation Review is due in 2017.

Our district comprises some of the most productive lands and scenic landscapes in Australia, with the capacity to deliver premium products and experiences. Located adjacent to the outer metropolitan area of South Australia's capital, Adelaide, the Clare & Gilbert Valleys district enjoys the advantages of proximity and accessibility with an enviable rural lifestyle.

The high level of health and associated services available locally, including two hospitals and an excellent ambulance service along with the presence of the Mid North Passenger Transport Scheme provide well for those that need assistance.

The southern boundary of Clare & Gilbert Valleys Council is located 77 km from the Adelaide city CBD. The completion of the Northern Expressway has provided greater access to the district, and has improved transport and travel times to Adelaide and Outer Harbour.



## Services to the Community

Council makes decisions which direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken, and the resources which are to be made available to undertake such works and services. Council makes decisions on policy issues relating to services provided for members of the public.

These services include:

- Community Halls and Centres
- Dog Control
- Environmental Health Matters
- Garbage Collection & Disposal
- Immunisation Programmes
- Parking Controls
- Parks and Reserves
- Playground Equipment
- Public Cemeteries
- Public Libraries
- Public Toilets
- Recreational/Sporting Facilities
- Roads/Footpaths/Kerbing
- Stormwater Drainage
- Street Lighting
- Street Tree Planting
- Traffic Control Devices

## Council Meetings, Agendas & Reports

Clare & Gilbert Valleys Council encourage members of the public to attend regular Council meetings which are held every third Monday of the month, commencing at 7pm. Public question time is held during the meetings and anyone wishing to ask a question of Council is encouraged to attend. Further information about public question time and Council meetings is available from the Council offices (Clare, Riverton and Saddleworth).

Agendas & Minutes of monthly Council meetings are placed on public display at the Council offices and also posted on Councils website. Agendas are available no less than three days prior to the meetings. Minutes are available within 5 days after the meetings.

The following documents are available for public inspection at the Clare & Gilbert Valleys Council offices free of charge or members of the public may purchase copies at a set fee:

- Annual Business Plan
- Annual Report
- Annual Budget
- Policy Manual
- Agendas and Minutes of all meetings
- Audited Financial Statements

## Freedom of Information (FOI) Requests

Requests for information (not included above), will be considered in accordance with the Freedom of Information Act 1991 (SA). The “Act” gives individuals the right to access documents (subject to certain restrictions) that are within the Council’s possession. It also allows for the amendment of documents which contain personal information that is incomplete, incorrect, out of date or misleading.

The Freedom of Information Act 1991 provides legislation and guidelines for access and provision of information to the public. Most information and files held by the Clare & Gilbert Valleys Council are available for public viewing. There are a few exceptions, such as personal and personnel records and matters which are subject to litigation, but generally, information is readily available for viewing at no charge or a minimal reproduction charge.

In rare cases, retrieving the requested information involves considerable staff time. It is important to specify what you require as clearly as possible so staff can quickly and efficiently assist. If extraordinary staff time is required to comply with an information request, charges may apply.

For the year 1 July 2016 to 30 June 2017, Council received 5 requests under provisions of the Freedom of Information Act to provide information.

All general enquiries on Freedom of Information Act issues should be directed to Accredited Freedom of Information Officer, Lynda Salter.

Requests under the Freedom of Information Act 1991 for access to documents in the possession of Council should be directed in writing to:

*Freedom of Information Officer  
Clare & Gilbert Valleys Council  
4 Gleeson Street  
CLARE SA 5453*

How long will the process take?

A request for access will be dealt with as soon as practicable, or within 30 (calendar) days of it being received. In certain circumstances Council may extend the timeframe for dealing with applications and Council will advise within 20 (calendar) days if an extension is necessary.

## HOW MUCH WILL IT COST?

The fees and charges for making and processing a Freedom of Information application for access to documents is \$34.25.

In some cases the application can be waived, for instance eligibility for concession (a copy of a current concession card must be provided if applying for waiver of fees).

Additional charges may apply as set out in the Freedom of Information (Fees and Charges) Regulations 2003 under the Freedom of Information Act 1991



# Audit Committee Annual Report 2016/17

This report presents a summary of the activities undertaken by the Clare & Gilbert Valleys Council Audit Committee (herewith after referred to as the “Committee”) and the recommendations made during the 2016/17 Financial year.

The Committee comprises of five members, three of whom are Independent Members and two being Council Members. The Presiding and Independent Members are appointed by Council for a four year term.

Member	Appointed	Term Expires
Presiding Member – Mr John Comrie	Meeting April 2015	April 2019
Independent Member – Mr Ian Swan	Meeting April 2015	April 2019
Independent Member – Ms Patricia Flood	Meeting July 2015	July 2019
Council Member – Mayor Allan Aughey OAM	Meeting November 2014	November 2018
Council Member – Councillor Jeremy Kells	Meeting November 2014	November 2018

## Conduct of Meeting

The Committee met on five occasions during the 2016/17 financial year with the following attendance:

Date	No of Members attending
8 August 2016	5
2 November 2016	4
8 February 2017	5
9 June 2017	5
19 June 2017	5

Committee Member	No of Meetings attended
Mr John Comrie	5/5
Mr Ian Swan	4/5
Ms Patricia Flood	5/5
Mayor Allan Aughey OAM	5/5
Cr Jeremy Kells	5/5

Meetings of the Committee have also been attended by the Chief Executive Officer, Manager Finance & Administration and Manager Governance & Community.

## Committee Activities

The following table sets out the main issues addressed by the Committee during 2016/17



Principal Issues	Comments	Recommendations from meeting
<b>8 August, 2016</b>		
Internal Financial Controls	An update was provided by Management.	Report Noted
2016-2017 Annual Business Plan & Budget	At the conclusion of the legislated public consultation period, Council adopted the Annual Business plan on the 1 August 2016. The Audit Committee was provided with a copy of the document.	Report Noted
Long Term Financial Plan	An update was provided by Management.	Report Noted
Asset Management Plan	An update of the plan was provided to the Audit Committee.	Report Noted
IT Software Future	The new IT system Synergy went live on the 1 July 2016.	Report Noted
Interim Audit Report & Management Letter	A copy of the Interim Management Letter from Galpins was provided to the Audit Committee, which included a review of Council's Internal Controls. The Audit Committee was also provided with a copy of Management's response letter.	The report be noted and a brief report be provided to the Audit Committee at future meeting summarizing the work to be done in order that performance can be monitored against the timeframes.
<b>Consensus Items</b>		
<ul style="list-style-type: none"> <li>Updated Work Program 2016/17</li> </ul>		
<b>2 November, 2016</b>		
Internal Financial Controls	An updated Action Plan was provided to the Audit Committee.	That the new findings identified by Council's Independent Auditors in their draft management letter dated 2 November 2016, be incorporated in the Internal Financial Control document with their origin noted.
Long Term Financial Plan	The Plan will be updated to incorporate the outcomes of the Asset Management Plan 2016.	That an update of the Long Term Financial Plan be provided to members prior to the 21 November 2016 council meeting when available in order to provide feedback.

Asset Management Plan	Council engaged Tonkin Consulting to assist with the preparation of the Asset Management Plans proposed for adoption by Council in November in accordance with the Local Government Act 1999. The plans that have been developed are; Transport, Stormwater, Community Wastewater Management Schemes, Building & Structures and Fleet & Plant.	That the report be noted and an update of the Asset Management Plan be provided to members prior to the 21 November 2016 council meeting when available in order to provide feedback.
Financial treatment of the CWMS Treatment Wastewater	A report was given on the Draft "CWMS Accounting Principles – The Costing and Pricing of CWMS"	That a report advising the long term costs of provision of CWMS and the implications of the CWMS reserves be provided to the next meeting.
IT Software Future – Synergy Software Implementation	A report summarizing the review of the implementation of the Synergy suite of software, which provide a list of issues was created and forwarded to IT Vision.	Report Noted.
Interim Audit Report & Management Letter	A report providing an update of issues raised by Council's auditor Galpins.	Report Noted.
Terms of Reference Review	Review by the Committee as per the Audit Committee Works Program 2016-2017	That the Audit Committee, having reviewed the Terms of Reference of the Clare & Gilbert Valleys Audit Committee, recommends to Council that no changes were identified to be necessary.
Draft Annual Financial Statements 2015-2016 and Draft Audit Committee Annual Report	In accordance with the Local Government Act 1999, Section 126(4) the Committee must review the Annual Financial Statements to ensure that they present fairly the state of affairs of the Council.	The Audit Committee endorses the Draft Annual Report 2015/2016 including Audit Committee Annual Report 2015/2016 for adoption by Council subject to minor edits as identified.
Risk Management	A copy of Council's Risk Register and Framework was provided to the Committee.	Report Noted.

Audit Committee Self Assessment	In accordance with the Audit Committee Terms of Reference the Audit Committee must annual review its own performance.	That the Audit Committee Self Assessment Survey form for 2016 be recommended for the conduct of the review.
<b>Consensus Items</b> <ul style="list-style-type: none"> <li>Updated Work Program 2016/17</li> </ul>		
<b>8 February, 2017</b>		
Internal Financial Controls	The development of the internal control framework is continuing, 18 controls have been completed.	Report Noted
Asset Management Plans – Review	Tonkin Consulting assisted with the review of the Asset Management Plan. The plans has the following components; Transport, Stormwater, Community Waste Management Schemes, Buildings and Plant. The Draft Asset Management Plan was presented to the Committee.	Report Noted
Financial Treatment of the CWMS Treated Water	A draft CWMS financial treatment documents has been developed for the Clare, Riverton and Saddleworth as individually funded programmes. The plans is based on the LGA “CWMS Accounting Principals – The cost and Pricing of CWMS”	That the report be endorsed for Council’s consideration, subject to refinement of the calculations in relation to the legacy date. That Council Administration investigate the risk factors applied by SA Water and how the risk factors might influence the CWMS balance of the reserve.
IT Software Future – Synergy Software Implementation	The implementation is continuing with additional staff training being undertaken, with the records management module in full use with correspondence now bring directed to relevant staff electronically.	Report Noted

Report on Annual Financial Statements 2015/2016 Results	In accordance with the requirements of Regulation 10 of the Local Government Financial Management Regulation 2011, Council must adopt a report on the Audited Financial results of Council. The report was adopted by Council on the 5 December 2016, a copy of the report was provided to the Committee for information.	Report Noted
Audit Committee Self Assessment	In accordance with the Audit Committee Terms of Reference must annually review its own performance. Members were provided with a self assessment survey. A report detailing the results of the survey was provided.	That the Audit Committee Self Assessment Survey outcome be adopted, with the inclusion of a review of Risk Management for the next agenda.
Completion of External Audit	Council's Auditor, Gaplins have concluded the 2015/16 Audit and provided the following legislated reports: <ul style="list-style-type: none"> <li>• Financial Report</li> <li>• Assurance Report Internal Controls</li> <li>• Management Letter</li> </ul> A copy of these reports were provided to the Committee.	That the reports be noted by the Audit Committee, subject to receiving the management response for endorsement. With the response forwarded to Council. That the references by the Auditor for the internal control improvement program be included in the work plan for ongoing monitoring and review.
Consensus Items Updated Long Term Financial Plan Updated Work Program 2016/17		
<b>9 June 2017</b>		
Internal Financial Controls	Update provided on the continuing development of the framework.	Report Noted
Long Term Financial Plan	Updated plan provided including the outcomes of the Asset Management Plan.	That the report be noted and that updated draft plans be expedited to formal adoption by Council as soon as possible. That a special Audit Committee meeting be called to review the draft plans prior to them being presented to Council. That at least two versions of the draft Long Term Financial Plan be provided to the Audit Committee.

Draft Asset Management Plan – Reviews	Tonkin Consulting assisted with the review of the Asset Management Plan. The plan has the following components; Transport, Stormwater, Community Waste Management Schemes, Buildings and Plant. The Draft Asset Management Plan was presented to Committee.	That the report be noted and that the updated draft Asset Management Plan be finalized and adopted by Council in conjunction with the finalization and adoption of the Long Term Financial Plan by Council. That in finalizing the Asset Management Plan, they are integrated with Council’s Risk Management Framework. That a special Audit Committee meeting be called to review the draft Plan prior to it being presented to Council.
Financial treatment of the CWMS Treated Wastewater	A report provided to the Council Workshop in May, as a result of the workshop Council decided to defer making any decisions on margining the schemes until ESCOSA has assessed the common pricing.	Report Noted
IT Software Future – Synergy Software Implementation	Additional modules are being investigated.	Report Noted.
Risk Management	Council Administration has been working with the LGAMLS to develop a Council Risk Management System. The second stage has seen the development of a Risk Register. The Risk Register is a constantly revolving document, in accordance with the Risk Management Framework it is provided to the Audit Committee quarterly.	That the report be noted and the documents revised taking into account feedback provided by the Audit Committee members. That the document be referred to Council for adoption.
External Audit Management Letter 2015/16 Response	A copy of the response to the Auditor Management Letter for the 2015/16 Final Audit was provided.	Report Noted and endorsed.

Draft Annual Business Plan and Budget 2017/2018	The Draft Annual Business Plan and Budget was provided to the Committee.	That the revised draft Annual Business Plan and Budget 2017/2018 as reviewed and subject to the minor amendments by the Audit Committee be recommended to Council as a draft for public consultation purpose.
Interim Audit Management Letter 2016/17	A copy of the reports provided by Council Auditor Galpins after the 2016/17 Interim Audit and the Management letter of response was provided to the Committee.	That the Interim Management Letter and Management response be noted by the Audit Committee. That the Audit Committee is encouraged by the favorable report by the Auditors with Council's Interim Audit Management Letter and note management's response.
Consensus Items Work Program 2016/17		
<b>19 June 2017</b>		
Draft Long Term Financial Plan	The Committee was provided with two versions of the Plan. The first version includes no new or upgrade of Transport expenditure until 2020/21. This version does not fully fund the asset replacement requirements as per the Asset Management Plan. The second version includes the replacement of assets as per the Asset Management Plan.	That the Audit Committee recommend to Council the adoption of Version 1 for the 2017/18 Draft Budget for public consultation purposes in accordance with Version 1 Draft Long Term Financial Plan and Draft Asset Management Plan be updated as a result on the 2017/18 Draft Budget adoption. That the Audit Committee recommend to Council the finalization of the Draft Asset Management Plan and Draft Long Term Financial based on the proposed reduction in capital expenditure for the Draft Budget 17/18
Draft Asset Management Plan	A copy of the Draft Plan was provided to the Committee with minor changes from the previously provided document.	

## **Work Program for 2017/18 Financial Year**

As outlined in the Committee's Work Program the following key items will be included as items for discussion in the coming year;

- Review of Terms of Reference
- Internal Controls
- 2016/17 Annual Statements
- 2018/19 Annual Business Plan
- Asset Management Plan Review
- Long Term Financial Plan Review
- Risk Management

## **Chairperson's Comments**

The Audit Committee fulfilled its 2016/17 set work program and I believe that it continues to effectively perform its formal responsibilities and provide value to Council. During the year other Audit Committee members have conscientiously fulfilled their roles and the Committee has been very well supported by Council's staff. Council has well developed systems, policies and processes in place that facilitate its high standards of performance. Council's external auditor identified some opportunities for improvement in internal controls and these are being addressed. Considerable asset management planning and long-term financial planning work was undertaken by Council and reviewed by the Audit Committee to ensure that community preferred services can be affordably maintained into the future.



# **CLARE & GILBERT VALLEYS COUNCIL**

## **GENERAL PURPOSE FINANCIAL REPORTS**

For the year ended 30 June 2017

# CLARE & GILBERT VALLEYS COUNCIL

## General Purpose Financial Reports for the year ended 30 June 2017

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# CLARE & GILBERT VALLEYS COUNCIL

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2017

### 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 2017 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.



.....  
John COOMBE OAM  
ACTING CHIEF EXECUTIVE OFFICER



.....  
Allan AUGHEY OAM  
MAYOR

Date: 20 November 2017

**CLARE & GILBERT VALLEYS COUNCIL**

**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000
<b>INCOME</b>			
Rates	2	12,188	11,828
Statutory charges	2	310	256
User charges	2	1,335	1,249
Grants, subsidies and contributions	2	2,789	1,624
Investment income	2	237	228
Reimbursements	2	164	172
Other income	2	202	156
<b>Total Income</b>		<u>17,225</u>	<u>15,513</u>
<b>EXPENSES</b>			
Employee costs	3	3,958	3,559
Materials, contracts & other expenses	3	8,184	6,382
Depreciation, amortisation & impairment	3	4,972	4,131
Finance costs	3	539	604
<b>Total Expenses</b>		<u>17,653</u>	<u>14,676</u>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>(428)</b>	837
Asset disposal & fair value adjustments	4	(697)	(407)
Amounts received specifically for new or upgraded assets	2	40	-
Physical resources received free of charge	2	17	-
<b>NET SURPLUS / (DEFICIT)</b>		<u>(1,068)</u>	<u>430</u>
transferred to Equity Statement			
<b>Other Comprehensive Income</b>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	(19,764)	-
Impairment (expense) / recoupments offset to asset revaluation reserve	9	(2,053)	-
<b>Total Other Comprehensive Income</b>		<u>(21,817)</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>(22,885)</u>	<u>430</u>

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

**CLARE & GILBERT VALLEYS COUNCIL**

**STATEMENT OF FINANCIAL POSITION  
as at 30 June 2017**

<b>ASSETS</b>	Notes	<b>2017 \$'000</b>	2016 \$'000
<b>Current Assets</b>			
Cash and cash equivalents	5	<b>8,942</b>	10,138
Trade & other receivables	5	<b>1,243</b>	1,023
Other financial assets	5	<b>253</b>	257
Inventories	5	<b>287</b>	209
		<u><b>10,725</b></u>	<u>11,627</u>
Non-current Assets held for Sale	20	-	-
<b>Total Current Assets</b>		<u><b>10,725</b></u>	<u>11,627</u>
<b>Non-current Assets</b>			
Financial assets	6	<b>291</b>	331
Infrastructure, property, plant & equipment	7	<b>137,284</b>	160,107
Other non-current assets	6	<b>599</b>	152
<b>Total Non-current Assets</b>		<u><b>138,174</b></u>	<u>160,590</u>
<b>Total Assets</b>		<u><b>148,899</b></u>	<u>172,217</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	8	<b>1,050</b>	791
Borrowings	8	<b>1,094</b>	1,029
Provisions	8	<b>1,356</b>	1,035
<b>Total Current Liabilities</b>		<u><b>3,500</b></u>	<u>2,855</u>
<b>Non-current Liabilities</b>			
Borrowings	8	<b>5,972</b>	7,067
Provisions	8	<b>36</b>	41
Liability - Equity accounted Council businesses	8	<b>232</b>	210
<b>Total Non-current Liabilities</b>		<u><b>6,240</b></u>	<u>7,318</u>
<b>Total Liabilities</b>		<u><b>9,740</b></u>	<u>10,173</u>
<b>NET ASSETS</b>		<u><b>139,159</b></u>	<u>162,044</u>
<b>EQUITY</b>			
Accumulated Surplus		<b>8,730</b>	10,594
Asset Revaluation Reserves	9	<b>121,834</b>	143,651
Other Reserves	9	<b>8,595</b>	7,799
<b>TOTAL EQUITY</b>		<u><b>139,159</b></u>	<u>162,044</u>

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

**CLARE & GILBERT VALLEYS COUNCIL**

**STATEMENT OF CHANGES IN EQUITY**  
for the year ended 30 June 2017

	Notes	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000	TOTAL EQUITY \$'000
<b>2017</b>					
Balance at end of previous reporting period		10,594	143,651	7,799	162,044
<b>Net Surplus / (Deficit) for Year</b>		<b>(1,068)</b>	-	-	<b>(1,068)</b>
<b>Other Comprehensive Income</b>					
Loss on revaluation of infrastructure, property, plant & equipment		-	(19,764)	-	(19,764)
Impairment (expense) / recoupments offset to asset revaluation reserve		-	(2,053)	-	(2,053)
Transfers between reserves		(796)		796	-
<b>Balance at end of period</b>		<b>8,730</b>	<b>121,834</b>	<b>8,595</b>	<b>139,159</b>
<b>2016</b>					
Balance at end of previous reporting period		10,182	143,651	7,781	161,614
<b>Net Surplus / (Deficit) for Year</b>		430	-	-	430
<b>Other Comprehensive Income</b>					
Transfers between reserves		(18)	-	18	-
<b>Balance at end of period</b>		<b>10,594</b>	<b>143,651</b>	<b>7,799</b>	<b>162,044</b>

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

**CLARE & GILBERT VALLEYS COUNCIL**

**STATEMENT OF CASH FLOWS**

for the year ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts</u>			
Rates - general & other		11,906	11,683
Fees & other charges		338	227
User charges		1,392	1,341
Investment receipts		247	218
Grants utilised for operating purposes		2,930	1,588
Reimbursements		186	182
Other revenues		1,166	831
<u>Payments</u>			
Employee costs		(3,639)	(3,737)
Materials, contracts & other expenses		(9,182)	(7,161)
Finance payments		(554)	(638)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>4,790</b>	<b>4,534</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		40	-
Sale of replaced assets		248	8
Sale of surplus assets		74	297
Repayments of loans by community groups		43	44
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(3,091)	(2,044)
Expenditure on new/upgraded assets		(2,271)	(650)
Net purchase of investment securities		-	(7)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(4,957)</b>	<b>(2,352)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
Proceeds from trust funds		1	5
<u>Payments</u>			
Repayments of borrowings		(1,030)	(967)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(1,029)</b>	<b>(962)</b>
<b>Net Increase (Decrease) in cash held</b>		<b>(1,196)</b>	<b>1,220</b>
Cash & cash equivalents at beginning of period	11	<b>10,138</b>	8,918
<b>Cash &amp; cash equivalents at end of period</b>	11	<b>8,942</b>	10,138

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

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### 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 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 this Note.

###### 1.4 Rounding

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

##### 2 The Local Government Reporting Entity

The Clare & Gilbert Valleys Council is incorporated under the SA Local Government Act 1999 and has its principal place of business at 4 Gleeson Street, Clare. 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.

##### 3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

In recent years the payment of untied financial assistance grants has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference	
	\$	\$	%	\$
2013/14	621,608	1,094,055	(43%)	(472,447)
2014/15	1,430,485	934,413	53%	496,072
2015/16	439,321	935,393	(53%)	(496,072)
2016/17	1,417,990	935,724	52%	482,266

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 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.

The actual amounts of untied grants received during the reporting periods (including the advance allocations) are disclosed in Note 2.

#### 3.1 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. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

#### 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. 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 at the cost of acquisition.

#### 6 Infrastructure, Property, Plant & Equipment

##### 6.1 Land under roads

Council has elected not to recognise land under roads acquired prior to 1 July 2008 as an asset in accordance with AASB 1051 Land under Roads. Land under roads acquired after 30 June 2008 has not been recognised as in the opinion of Council it is not possible to reliably attribute a fair value, and further that such value if determined would be immaterial.

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 6.2 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.

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

#### 6.3 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

#### 6.4 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

#### 6.5 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 of operating plant is based on usage and minor plant, furniture and fittings are depreciated using a diminishing balance method.

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 7. 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 care should be used in interpreting financial information based on these estimates.

#### 6.6 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying 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 Council 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.

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

#### 6.7 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 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

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

#### 9 Employee Benefits

##### 9.1 Salaries, Wages & Compensated Absences

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

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

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

##### 9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Super (formerly Local Government Superannuation Scheme). The Scheme has two types of membership, each of which is funded differently. Contributions are also made to other superannuation schemes selected by employees under the "choice of fund" legislation. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 10 Joint Ventures and Associated Entities

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.

##### 11 GST Implications

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

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

##### 12 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2016 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 17	Leases
AASB 1058	Income of Not-for-profit Entities

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

(Standards not affecting Local Government have been excluded from the above list.)

*Council is of the view that other than AASB 16 and AASB 1058, none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.*

Accounting Standard AASB 16 Leases may have a material effect on the amounts disclosed in these reports, particularly in relation to Infrastructure, Property, Plant & Equipment, but does not commence until the 2019/20 financial period, and it is not Council's intention to adopt this Standard early.

Accounting Standard AASB 1058 Income of Not-for-profit Entities may have a material effect on the amounts disclosed in these reports, particularly in relation to revenues from grants and subsidies, but does not commence until the 2019/20 financial period, and it is not Council's intention to adopt this Standard early.

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 2 - INCOME**

	Notes	2017 \$'000	2016 \$'000
<b>RATES REVENUES</b>			
<u>General Rates</u>		10,187	9,922
Less: Mandatory rebates		(139)	(129)
Less: Discretionary rebates, remissions & write offs		(47)	(52)
		<u>10,001</u>	<u>9,741</u>
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		417	338
Waste collection		698	687
Community wastewater management systems		996	996
		<u>2,111</u>	<u>2,021</u>
<u>Other Charges</u>			
Penalties for late payment		76	66
		<u>76</u>	<u>66</u>
		<u>12,188</u>	<u>11,828</u>
<b>STATUTORY CHARGES</b>			
Development Act fees		53	41
Town planning fees		82	85
Health & Septic Tank Inspection fees		29	27
Animal registration fees & fines		47	47
Parking fines / expiation fees		2	1
Fire Act expiation fees		1	-
Freedom of Information requests		-	2
CWMS fees		96	53
		<u>310</u>	<u>256</u>
<b>USER CHARGES</b>			
Cemetery/crematoria fees		28	35
Caravan Park fees		343	262
Cultural activities		1	9
Hall & equipment hire		33	33
Library services		11	13
Community Transport		25	-
Recreation fees		633	707
Tourism		152	39
Waste management fees		39	47
Sundry		70	104
		<u>1,335</u>	<u>1,249</u>
<b>INVESTMENT INCOME</b>			
Interest on investments			
Local Government Finance Authority		204	191
Banks & other		7	7
Loans to community groups		26	30
Investment property rental income		-	-
		<u>237</u>	<u>228</u>

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**NOTE 2 - INCOME (continued)**

	Notes	2017 \$'000	2016 \$'000
<b>REIMBURSEMENTS</b>			
- for roadworks		-	6
- for private works		-	42
- by joint undertakings		38	45
- other		126	79
		<u>164</u>	<u>172</u>
<b>OTHER INCOME</b>			
Insurance & other recoupments - infrastructure, property, plant & equipment		90	-
Donations received		87	51
Sundry		25	105
		<u>202</u>	<u>156</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Amounts received specifically for new or upgraded assets		40	-
Other grants, subsidies and contributions			
Untied - Financial Assistance Grant	1,418		439
Roads to Recovery	946		793
Home and Community Care Grant	155		152
Library & Communications	21		22
Transport Network	200		-
Sundry	49		218
		<u>2,789</u>	<u>1,624</u>
		<u>2,829</u>	<u>1,624</u>
<i>The functions to which these grants relate are shown in Note 12.</i>			
<b>Sources of grants</b>			
Commonwealth government		1,037	882
State government		1,617	554
Other		175	188
		<u>2,829</u>	<u>1,624</u>

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**NOTE 2 - INCOME (continued)**

	Notes	2017 \$'000	2016 \$'000
<b>Conditions over grants &amp; contributions</b>			
<i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i>			
<i>Unexpended at the close of the previous reporting period</i>		460	428
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>			
<i>Roads Infrastructure</i>		(180)	(43)
<i>Environment</i>		(13)	(3)
<i>Recreation</i>		-	(5)
<i>Community Halls</i>		(17)	-
<i>Subtotal</i>		(210)	(51)
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
<i>Roads Infrastructure</i>		30	66
<i>Community Halls</i>		-	17
<i>Subtotal</i>		30	83
<i>Unexpended at the close of this reporting period</i>		<u>280</u>	<u>460</u>
 <i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>		 <u>(180)</u>	 <u>32</u>
 <b>PHYSICAL RESOURCES RECEIVED FREE OF CHARGE</b>			
<i>Community Wastewater Management Infrastructure</i>		17	-
<b>TOTAL PHYSICAL RESOURCES RECEIVED</b>		<u>17</u>	<u>-</u>

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 3 - EXPENSES

	Notes	2017 \$'000	2016 \$'000
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		3,627	3,033
Employee leave expense		369	381
Superannuation - defined contribution plan contributions	18	242	179
Superannuation - defined benefit plan contributions	18	83	130
Workers' Compensation Insurance		93	114
Other		12	32
Total Employee costs		4,426	3,869
Less: Capitalised and distributed costs		(468)	(310)
<b>Total Operating Employee Costs</b>		<b>3,958</b>	<b>3,559</b>
 <b>Total Number of Employees</b>		<b>48</b>	<b>48</b>
<i>(Full time equivalent at end of reporting period)</i>			
 <b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		17	17
Elected members' expenses		208	196
Election expenses		26	3
Subtotal - Prescribed Expenses		251	216
 <u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		4,349	3,304
Energy		598	509
Insurance		379	414
Legal Expenses		141	61
Levies paid to government - NRM levy		420	337
- Other Levies		38	34
Water		226	228
Parts, accessories & consumables		913	847
Sundry		869	432
Subtotal - Other Materials, Contracts & Expenses		7,933	6,166
		<b>8,184</b>	<b>6,382</b>

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 3 - EXPENSES (cont)**

	Notes	2017 \$'000	2016 \$'000
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Land Improvements		12	1
Buildings & Other Structures		1,243	977
Infrastructure			
- Roads, footways & kerbing		2,808	2,321
- Bridges		134	106
- Other road infrastructure		73	72
- CWMS		246	246
- Stormwater Drainage		48	48
Plant, Machinery & Equipment		496	417
Furniture & Fittings		29	51
Library Books		27	(16)
<b>Impairment</b>			
Buildings & Other Structures		87	-
Roads, footways & kerbing		1,966	-
		<u>7,169</u>	<u>4,223</u>
Less: Capitalised and distributed costs		(144)	(92)
Less: Impairment expense offset to asset revaluation reserve	9	<u>(2,053)</u>	<u>-</u>
		<u>4,972</u>	<u>4,131</u>
 <b>FINANCE COSTS</b>			
Interest on overdraft and short-term drawdown			
Interest on Loans		524	587
Unwinding of present value discounts		15	18
Less: Capitalised and distributed costs		-	(1)
		<u>539</u>	<u>604</u>

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS**

	Notes	2017 \$'000	2016 \$'000
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		242	14
Less: Carrying amount of assets sold		<u>593</u>	<u>460</u>
<b>Gain (Loss) on disposal</b>		<u>(351)</u>	<u>(446)</u>
<i>Assets surplus to requirements</i>			
Proceeds from disposal		74	297
Less: Carrying amount of assets sold		<u>420</u>	<u>258</u>
<b>Gain (Loss) on disposal</b>		<u>(346)</u>	<u>39</u>
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>		<u>(697)</u>	<u>(407)</u>

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 5 - CURRENT ASSETS**

	Notes	2017 \$'000	2016 \$'000
<b>CASH &amp; EQUIVALENT ASSETS</b>			
Cash on Hand and at Bank		354	79
Deposits at Call		<u>8,588</u>	<u>10,059</u>
		<u>8,942</u>	<u>10,138</u>
 <b>TRADE &amp; OTHER RECEIVABLES</b>			
Rates - General & Other		972	684
Rates postponed for State Seniors		-	5
Accrued Revenues		41	51
Debtors - general		79	133
GST Recoupment		104	104
Prepayments		1	1
Loans to community organisations		46	45
		<u>1,243</u>	<u>1,023</u>
 <b>OTHER FINANCIAL ASSETS</b>			
Investment		<u>253</u>	<u>257</u>
		<u>253</u>	<u>257</u>
 <b>INVENTORIES</b>			
Stores & Materials		<u>287</u>	<u>209</u>
		<u>287</u>	<u>209</u>

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 6 - NON-CURRENT ASSETS**

<b>FINANCIAL ASSETS</b>	Notes	<b>2017 \$'000</b>	<b>2016 \$'000</b>
<b>Receivables</b>			
Council Rates Postponement Scheme		<u>6</u>	-
Loans to community organisations		<u>285</u>	<u>331</u>
<b>TOTAL FINANCIAL ASSETS</b>		<u><b>291</b></u>	<u><b>331</b></u>
<b>OTHER NON-CURRENT ASSETS</b>			
<b>Inventories</b>			
Capital Works-in-Progress		<u>599</u>	<u>152</u>
		<u><b>599</b></u>	<u><b>152</b></u>

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2017

**Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT**

Fair Value Level	2016 \$'000				2017 \$'000			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
2	634	-	-	634	2,166	-	-	2,166
3	11,822	11	-	11,833	10,245	177	-	10,422
3	39	-	(1)	38	276	13	(28)	261
2	3,712	-	(2,498)	1,214	3,872	-	(2,582)	1,290
3	54,414	779	(21,499)	33,694	55,468	434	(27,127)	28,775
3	116,215	10,951	(37,438)	89,728	118,782	3,387	(50,314)	71,855
3	10,466	474	(3,828)	7,112	11,523	-	(4,836)	6,687
3	-	741	(222)	519	-	741	(295)	446
3	13,868	80	(4,864)	9,084	13,869	136	(5,103)	8,902
3	3,096	134	(1,153)	2,077	3,096	326	(1,200)	2,222
	-	6,740	(3,057)	3,683	-	6,989	(3,202)	3,787
	-	535	(462)	73	-	539	(491)	48
	418	-	-	418	450	-	(27)	423
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>214,684</b>	<b>20,445</b>	<b>(75,022)</b>	<b>160,107</b>	<b>219,747</b>	<b>12,742</b>	<b>(95,205)</b>	<b>137,284</b>
<b>Comparatives</b>	<b>217,905</b>	<b>18,044</b>	<b>(73,695)</b>	<b>162,254</b>	<b>214,684</b>	<b>20,445</b>	<b>(75,022)</b>	<b>160,107</b>

This Note continues on the following pages.

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Fair Value Level	2016 \$'000	CARRYING AMOUNT MOVEMENTS DURING YEAR \$'000										2017 \$'000
		CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	CARRYING AMOUNT	
			New/Upgrade	Renewals				In	Out			
Land	634	-	-	-	-	-	1,532	-	-	-	2,166	
Land	11,833	177	-	(56)	-	-	-	(1,532)	-	-	10,422	
Land Improvements	38	-	13	-	(12)	-	-	-	-	222	261	
Buildings & Other Structures	1,214	-	-	-	(83)	-	-	-	-	159	1,290	
Buildings & Other Structures	33,694	105	329	(393)	(1,160)	(87)	-	(57)	(3,656)	-	28,775	
Infrastructure												
- Roads, footways & kerbing	89,728	1,545	1,842	(288)	(2,808)	(1,966)	-	-	(16,198)	-	71,855	
- Bridges	7,112	-	-	-	(134)	-	-	-	(291)	-	6,687	
- Other road infrastructure	519	-	-	-	(73)	-	-	-	-	-	446	
- CWMS	9,084	16	47	1	(246)	-	-	-	-	-	8,902	
- Stormwater Drainage	2,077	79	114	-	(48)	-	-	-	-	-	2,222	
Plant, Machinery & Equipment	3,683	121	698	(276)	(496)	-	57	-	-	-	3,787	
Furniture & Fittings	73	4	-	-	(29)	-	-	-	-	-	48	
Library Books	418	-	32	-	(27)	-	-	-	-	-	423	
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>160,107</b>	<b>2,047</b>	<b>3,075</b>	<b>(1,012)</b>	<b>(5,116)</b>	<b>(2,053)</b>	<b>1,589</b>	<b>(1,589)</b>	<b>(19,764)</b>	<b>137,284</b>		
<b>Comparatives</b>	<b>162,254</b>	<b>380</b>	<b>2,413</b>	<b>(717)</b>	<b>(4,223)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>160,107</b>		

This Note continues on the following pages.

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (continued)

##### Valuation of Assets

##### General Valuation Principles

*Accounting procedure:* 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, fair value is taken to be the current replacement cost.

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

Much of the land under Council's care and control is crown land or has been declared as community land under the provisions of the Local Government Act 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.

*Fair value hierarchy level 2 valuations:* Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

*Fair value hierarchy level 3 valuations of land:* Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

*Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets:* There is no known market for 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.

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (continued)

The calculation of the depreciation that would have accumulated since original construction using current estimates of 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.

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

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Buildings - new construction/extensions	\$10,000
Park & Playground Furniture & Equipment	\$2,000
Road construction & reconstruction	\$10,000
Paving & footpaths, Kerb & Gutter	\$2,000
Drains & Culverts	\$5,000
Reticulation extensions	\$5,000
Sidelines & household connections	\$5,000
Artworks	\$5,000

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

<i>Plant, Furniture &amp; Equipment</i>	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
<i>Building &amp; Other Structures</i>	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
<i>Infrastructure</i>	
Sealed Roads – Surface	15 to 25 years
Sealed Roads – Structure	20 to 50 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains	80 to 100 years
Culverts	50 to 75 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC	70 to 80 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	15 to 25 years

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (continued)

Other Assets	
Library Books	7 years
Artworks	indefinite

#### Land & Land Improvements

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.

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, deriving from a valuation at 1 July 2016 at current replacement cost. Additions are recognised at cost.

#### Buildings & Other Structures

Buildings and other structures were valued as at 1 July 2016 by Maloney Field Services. The removal of residual values as required by the standards has impacted on the depreciation expense. Buildings for which leases exist which vest responsibility to the lessees have been excluded from the Balance Sheet.

#### Infrastructure

Roads, footways and kerbing and bridge infrastructure were valued by Tonkin Engineering as at 1 July 2016 at written down current replacement cost, based on rates current at the time and removing residual values as required by the standards.

Stormwater drainage infrastructure and community wastewater management infrastructure were valued at written down current replacement cost by Gayler Professional Services at 1 July 2012 and are due for revaluation in 2017/18.

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

#### Plant, Furniture & Equipment

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 accounted for on a replacement basis. The assets are carried at an annually adjusted figure without an associated accumulated depreciation amount.

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 8 - LIABILITIES**

		2017 \$'000		2016 \$'000	
<b>TRADE &amp; OTHER PAYABLES</b>	Notes	Current	Non-current	Current	Non-current
Goods & Services		758	-	463	-
Payments received in advance		6	-	40	-
Accrued expenses - employee entitlements		53	-	48	-
Accrued expenses - other		106	-	121	-
Deposits, Retentions & Bonds		86	-	78	-
Other		41	-	41	-
		<u>1,050</u>	<u>-</u>	<u>791</u>	<u>-</u>
 <b>BORROWINGS</b>					
Loans		<u>1,094</u>	<u>5,972</u>	<u>1,029</u>	<u>7,067</u>
		<u>1,094</u>	<u>5,972</u>	<u>1,029</u>	<u>7,067</u>

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

**PROVISIONS**

Employee entitlements (including oncosts)		<u>1,356</u>	<u>36</u>	<u>1,035</u>	<u>41</u>
		<u>1,356</u>	<u>36</u>	<u>1,035</u>	<u>41</u>

*Movements in Provisions - 2017 year only  
(current & non-current)*

	<i>Employee Entitlements</i>
Opening Balance	1,076
Add Unwinding of present value discounts	15
Additional amounts recognised	420
(Less) Payments	(170)
Add (Less) Remeasurement Adjustments	<u>51</u>
Closing Balance	<u>1,392</u>

**LIABILITY - EQUITY ACCOUNTED**

**COUNCIL BUSINESSES**

Mid North Community Passenger Network	19	<u>232</u>	<u>210</u>
		<u>232</u>	<u>210</u>

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 9 - RESERVES**

<b>ASSET REVALUATION RESERVE</b>		<b>1/7/2016</b>	<b>Net Increments (Decrements)</b>	<b>Transfers, Impairments</b>	<b>30/6/2017</b>
	<b>Notes</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Land		10,563	-	-	10,563
Land Improvements			222	-	222
Buildings & Other Structures		27,951	(3,497)	(87)	24,367
Infrastructure					0
- Roads, footways & kerbing		93,211	(16,198)	(1,966)	75,047
- Bridges		5,334	(291)	-	5,043
- CWMS		5,371	-	-	5,371
- Stormwater Drainage		1,221	-	-	1,221
<b>TOTAL</b>		<b>143,651</b>	<b>(19,764)</b>	<b>(2,053)</b>	<b>121,834</b>
<i>Comparatives</i>		<i>143,651</i>	<i>-</i>	<i>-</i>	<i>143,651</i>

<b>OTHER RESERVES</b>		<b>1/7/2016</b>	<b>Transfers to Reserve</b>	<b>Transfers from Reserve</b>	<b>30/6/2017</b>
CWMS Reserves		3,206	253	-	3,459
Clare Off Street Car Parking Reserve		3		-	3
Clare Caravan Park Reserve		1,940		-	1,940
Waste Management Reserve		1,151	98	-	1,249
General Reserve		542	419	-	961
Clare Open Space Reserve		25	1	-	26
Riverton Open Space Reserve		12	-	-	12
Mid North Community Passenger Network Reserve		163	13	-	176
Windfarm Roads Infrastructure Reserve		757	12	-	769
<b>TOTAL OTHER RESERVES</b>		<b>7,799</b>	<b>796</b>		<b>8,595</b>
<i>Comparatives</i>		<i>7,781</i>	<i>743</i>	<i>(725)</i>	<i>7,799</i>

**PURPOSES OF RESERVES**

**Asset Revaluation Reserve**

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

**(Other Reserves)**

**CWMS Reserves** - for maintenance and upgrade of Community Wastewater Management Systems in Clare, Riverton and Saddleworth

**Off Street Parking Reserve** - for Developers' contributions to parking provision

**Clare Caravan Park Reserve** - proceeds from sale of Clare Caravan Park cabins and equipment to lessee

**Waste Management Reserve** - for provision of refuse collection and disposal

**General Reserve** - includes unexpended grants and other funds set aside for future expenditure

**Clare Open Space Reserve** - developer contributions towards future acquisition of open space areas

**Riverton Open Space Reserve** - developer contributions towards future acquisition of open space areas

**Mid North Passenger Transport Reserve** - funding for community passenger network scheme

**Windfarm Roads Infrastructure Reserve** - for future works required on access roads to Waterloo Windfarm

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 10 - ASSETS SUBJECT TO RESTRICTIONS**

No assets are subject to externally imposed restrictions.

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

**(a) Reconciliation of Cash**

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

	Notes	2017 \$'000	2016 \$'000
Total cash & equivalent assets	5	<b>8,942</b>	10,138
Balances per Cash Flow Statement		<b>8,942</b>	10,138

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

Net Surplus (Deficit)		(1,068)	430
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		4,972	4,131
Net increase (decrease) in unpaid employee benefits		322	(199)
Premiums & discounts recognised & unwound		-	
Accrued Interest Receivable		10	(10)
Accrued Interest Payable		(14)	(13)
Non-cash asset acquisitions		(17)	-
Grants for capital acquisitions treated as Investing Activity		(40)	-
Net (Gain) Loss on Disposals		697	407
		4,862	4,746
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(234)	(214)
Net (increase) decrease in inventories		(78)	54
Net increase (decrease) in trade & other payables		218	(71)
Net increase (decrease) in other liabilities		22	19
<b>Net Cash provided by (or used in) operations</b>		<b>4,790</b>	4,534

**(c) Non-Cash Financing and Investing Activities**

Acquisition of assets by means of:

- Physical resources received free of charge	3	17	-
<i>Amounts recognised in Income Statement</i>		17	-
- Capitalised Depreciation		144	92
- (Increase) decrease in Capital trade and other payables		(50)	102
		111	194

**(d) Financing Arrangements**

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

Corporate Credit Cards		13	7
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## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES											
	INCOME		EXPENSES			OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2017	2016	2017	2016
	2017	2016	2017	2016	2017	2016	2017	\$'000	\$'000	\$'000	\$'000
Business Undertakings	1,527	1,437	1,301	909	226	528	-	-	-	10,570	10,740
Community Services	408	334	2,064	1,567	(1,656)	(1,233)	160	169	169	14,527	18,844
Culture	46	45	833	750	(787)	(705)	21	22	22	3,233	3,982
Economic Development	152	40	594	426	(442)	(386)	-	-	-	1,053	957
Environment	1,187	1,122	2,497	1,957	(1,310)	(835)	-	-	-	3,711	3,409
Recreation	697	763	2,370	2,619	(1,673)	(1,856)	-	-	-	19,240	18,529
Regulatory Services	213	201	859	798	(646)	(597)	-	-	-	24	24
Transport & Communication	1,301	1,138	5,529	4,632	(4,228)	(3,494)	1,176	980	980	80,155	97,445
Plant Hire & Depot/Indirect	7	17	6	9	1	8	5	4	4	3,324	3,997
Council Administration	11,687	10,416	1,600	1,009	10,087	9,407	1,427	449	449	13,062	14,290
<b>TOTALS</b>	<b>17,225</b>	<b>15,513</b>	<b>17,653</b>	<b>14,676</b>	<b>(428)</b>	<b>837</b>	<b>2,789</b>	<b>1,624</b>	<b>1,624</b>	<b>148,899</b>	<b>172,217</b>

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

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 12 - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

##### **Business Undertakings**

Caravan Parks  
Community Wastewater Management Systems (CWMS)

##### **Community Services**

Public Order and Safety - Emergency Services, Fire Protection, Other Public Order and Safety, Health Services  
Community Support – Community Halls, Services for the Aged and Disabled, Children and Youth Services, Community Assistance, Community Transport, Other Community Support  
Community Amenities – Cemeteries, Public Conveniences, Car Parking – non-fee-paying, Other Community Amenities.

##### **Culture**

Library Services  
Cultural Services - Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services.

##### **Economic Development**

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

##### **Environment**

Waste Management - Domestic Waste, Green Waste, Recycling, Transfer Stations, Other Waste Management  
Other Environment - Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

##### **Recreation**

Parks and Gardens, Sports Facilities – Indoor Sports Facilities, Outdoor Sports Facilities, Swimming Centres and Other Recreation.

##### **Regulatory Services**

Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Health Inspection, Parking Control, and Other Regulatory Services.

##### **Transport**

Bridges, Footpaths and Kerbing, Roads, Traffic Management, Other Transport.

##### **Plant Hire & Depot**

##### **Council Administration**

Governance - Elected Members, Organisational  
Support Services, Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenue – General Rates, Local Government Grants Commission Grants.

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 13 - FINANCIAL INSTRUMENTS**

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

**Accounting Policies - Recognised Financial Instruments**

<b>Bank, Deposits at Call, Short Term Deposits</b>	<b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned.
	<b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between 1.75% and 1.5% (2016: 1.75% and 2.5%). Short term deposits have an average maturity of 180 days and an average interest rates of 2.45% (2016: 180 days, 2.7%). <b>Carrying amount:</b> approximates fair value due to the short term to maturity.
<b>Receivables - Rates &amp; Associated Charges (including legals &amp; penalties for late payment)</b> Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.	<b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. <b>Terms &amp; conditions:</b> Secured over the subject land, arrears attract interest of 0.5833% (2016: 0.6042%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State. <b>Carrying amount:</b> approximates fair value (after deduction of any allowance).
<b>Receivables - Fees &amp; other charges</b>	<b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. <b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries. <b>Carrying amount:</b> approximates fair value (after deduction of any allowance).
<b>Receivables - other levels of government</b>	<b>Accounting Policy:</b> Carried at nominal value. <b>Terms &amp; conditions:</b> 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. <b>Carrying amount:</b> approximates fair value.
<b>Liabilities - Creditors and Accruals</b>	<b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council. <b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms. <b>Carrying amount:</b> approximates fair value.
<b>Liabilities - Interest Bearing Borrowings</b>	<b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues. <b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 5% and 7.9% (2016: 5% and 7.9%) <b>Carrying amount:</b> approximates fair value.
<b>Liabilities - Finance Leases</b>	<b>Accounting Policy:</b> accounted for in accordance with AASB 117.

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 13 (cont) - FINANCIAL INSTRUMENTS

##### Liquidity Analysis

2017	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>					
Cash & Equivalents	8,942	-	-	8,942	8,942
Receivables	272	272	89	633	562
Other Financial Assets	253	-	-	253	253
<b>Total</b>	<b>9,467</b>	<b>272</b>	<b>89</b>	<b>9,828</b>	<b>9,757</b>
<b>Financial Liabilities</b>					
Payables	891	-	-	891	891
Current Borrowings	1,567	-	-	1,567	1,094
Non-Current Borrowings	-	4,210	3,132	7,342	5,972
<b>Total</b>	<b>2,458</b>	<b>4,210</b>	<b>3,132</b>	<b>9,800</b>	<b>7,957</b>

2016	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>					
Cash & Equivalents	10,138	-	-	10,138	10,138
Receivables	256	274	157	687	560
Other Financial Assets	257	-	-	257	257
<b>Total</b>	<b>10,651</b>	<b>274</b>	<b>157</b>	<b>11,082</b>	<b>10,955</b>
<b>Financial Liabilities</b>					
Payables	621	-	-	621	622
Current Borrowings	1,568	-	-	1,568	1,029
Non-Current Borrowings	-	5,776	3,132	8,908	7,067
<b>Total</b>	<b>2,189</b>	<b>5,776</b>	<b>3,132</b>	<b>11,097</b>	<b>8,718</b>

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

	30 June 2017		30 June 2016	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Fixed Interest Rates	6.92	7,066	6.85	8,096
		<u>7,066</u>		<u>8,096</u>

#### Net Fair Value

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

#### Risk Exposures

**Credit Risk** represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. 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.

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 14 - COMMITMENTS FOR EXPENDITURE**

	<u>Notes</u>	2017 \$'000	2016 \$'000
<b>Other Expenditure Commitments</b>			
Audit services		65	73
Waste management services		1,761	1,994
Employee remuneration contracts		-	831
Cleaning and caretaking contracts		1,021	-
CWMS plant maintenance contract		319	154
		<u>3,166</u>	<u>3,052</u>
These expenditures are payable:			
Not later than one year		731	
Later than one year and not later than 5 years		2,435	677
Later than 5 years		-	2,375
		<u>3,166</u>	<u>3,052</u>

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 15 - FINANCIAL INDICATORS

	2017	2016	2015
--	------	------	------

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. Detailed methods of calculation are set out in the SA Model Statements.

The Information Paper was revised in May 2015 and the financial indicators for previous years have been re-calculated in accordance with the revised formulas.

#### **Operating Surplus Ratio**

<u>Operating Surplus</u>	(2.0%)	5.0%	0.0%
Total Operating Revenue			

TARGET: Between 0% and 15% over any five year period

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

<b>Adjusted Operating Surplus Ratio</b>	(5.0%)	5.0%	3.0%
---	--------	------	------

*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. The **Adjusted Operating Surplus Ratio** adjusts for the resulting distortion in the disclosed operating result for each year.*

#### **Net Financial Liabilities Ratio**

<u>Net Financial Liabilities</u>	(7.1%)	(9%)	6%
Total Operating Revenue			

TARGET: Greater than zero but less than 100%

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

#### **Asset Sustainability Ratio**

<u>Net Asset Renewals</u>	64%	53.0%	87.0%
Infrastructure & Asset Management Plan required expenditure			

TARGET: Greater than 90% but less than 110% over a rolling three year period.

*Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.*

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2017 \$'000	2016 \$'000
Income	17,225	15,513
less Expenses	<u>17,653</u>	<u>14,676</u>
<b>Operating Surplus / (Deficit)</b>	<b>(428)</b>	<b>837</b>
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	3,091	2,044
Depreciation, Amortisation and Impairment	(4,972)	(4,131)
Proceeds from Sale of Replaced Assets	<u>(248)</u>	<u>(8)</u>
	<b>(2,129)</b>	<b>(2,095)</b>
<b>less Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	2,271	650
Amounts received specifically for New and Upgraded Assets	(40)	-
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>(74)</u>	<u>(297)</u>
	<b>2,157</b>	<b>353</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b><u>(456)</u></b>	<b><u>2,579</u></b>

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 17 - OPERATING LEASES**

Council has no operating lease commitments.

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 18 – SUPERANNUATION

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

##### Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2016/17; 9.50% in 2015/16). 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 2015/16) 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 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

##### Contributions to Other Superannuation Schemes

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

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 19 - INTERESTS IN OTHER ENTITIES

##### Section 41 Committees

The financial statements of the following Section 41 Committees have been consolidated into Council's statements for the year ended 30 June 2017.

(a) Mid North Passenger Community Passenger Network

This Committee is an advisory committee of interested parties including representatives of the Clare & Gilbert Valleys Council, Wakefield Regional Council, Regional Council of Goyder and Adelaide Plains Council.

A funding deed exists between the Clare & Gilbert Valleys Council and the Minister for Communities and Social Inclusion with additional funding coming from the partner Councils.

The aim of the MNCPN is to address the transport needs of communities in the region particularly the transport disadvantaged, by co-ordinating and brokering transport services within the region, providing an information service and delivering transport where no other appropriate services exist. The liability to member Councils in the event of the dissolution of the network has been recognised in the Balance sheet. (Note 8)

(b) Other

Auburn Recreation Park Committee  
Clare & Gilbert Valleys Arts  
Clare Town Hall Committee  
Riverton Recreation Grounds Committee  
Clare & Gilbert Valleys Dry Zone Committee  
Bushfire Prevention Committee

##### Regional Subsidiaries

Council is a member of the Central Local Government Region of South Australia. The objects of the Region are set out in Clause 2 of its Constitution as follows:

- (a) To undertake co-ordinating, advocacy and representational roles for its constituent councils at a regional level.
- (b) To facilitate and co-ordinate activities of Local Government at a regional level related to community and economic development with the object of achieving continual improvement for the benefit of the communities of its constituent councils.
- (c) To develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of Local Government when dealing with other governments, private enterprise and the community.
- (d) To develop further co-operation between its constituent councils for the benefit of the communities of the region.

The financials of this regional committee have not been included into Council's statements as they are not considered to be material.

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 20 - ASSETS & LIABILITIES NOT RECOGNISED  
IN THE BALANCE SHEET**

The following assets and liabilities do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to user of the financial report in making and evaluating decisions about the allocation of scarce resources.

**LAND UNDER ROADS**

As reported elsewhere in these 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 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.

**BANK GUARANTEES**

No loans or banking facilities advanced to community organisations have been guaranteed by Council.

**CLARE & GILBERT VALLEYS COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2017**

**Note 21 - RELATED PARTY DISCLOSURES**

**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, 15 persons were paid the following total compensation:

	<b>2017</b>
	<b>\$</b>
Salaries, allowances & other short term benefits	850,305
Post-employment benefits	3,838
Long term benefits	8,453
Termination benefits	400,000
<b>TOTAL</b>	<b>1,262,596</b>

**PARTIES RELATED TO KEY MANAGEMENT PERSONNEL**

Key management personal own retail and consulting business from which various supplies and services were purchased as required on account. Total purchases amounted to \$52,155, with \$2,356 unpaid at the end of the year.

An elected member and an employee are members of the management committees of the Clare and District APEX Club, the Clare Valley Racing Club and the Yacka Community Development Committee. In accordance with the Local Government Act 1999, these persons declare a conflict of interest and leave the meeting environs when any matter affecting their club or group is discussed or voted upon.

Council received \$8,500 from the Clare and District Apex Club for installation of a barbecue at Melrose Park, a council owned reserve.

Key management personnel or close family members (including related parties) lodged a total of two development applications during the year. In accordance with the Local Government Act 1999, these persons declared conflicts of interest and took no part in the assessment or approval processes for these applications. Both applications were approved during the year. Total fees paid to the Council in respect to the applications were \$441.

David Chant *ICPA*  
Simon Smith *ICPA*  
David Sullivan *CMA*  
Jason Seidel *CA*  
Renee Nicholson *CA*  
Tim Muhlhausler *CA*  
Aaron Coonan *CA*  
Luke Williams *CMA*

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ABN 30 630 511 757

Galpins limited by a scheme approved  
under Professional Standards Legislation

## INDEPENDENT AUDITOR'S REPORT

### To the members of the Clare and Gilbert Valleys Council

#### Opinion

We have audited the accompanying financial report of the Clare and Gilbert Valleys Council (the Council), which comprises the statement of financial position as at 30 June 2017, 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 the Clare and Gilbert Valleys Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2017, 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Council's Responsibility for the Financial Report

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

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

### **Auditor's Responsibility for the Audit of the Financial Report**

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

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

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

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

### **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**



**Tim Muhlhausler** CA Registered Company Auditor  
Partner

20 / 11 / 2017

David Chant rcpa  
Simon Smith rcpa  
David Sullivan cpa  
Jason Seidel ca  
Renaë Nicholson ca  
Tim Muhlhauser ca  
Aaron Coonan ca  
Luke Williams cpa

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Entity registered by the Accounting and  
Financial Professions Standards Board

## INDEPENDENT AUDITOR'S REPORT

### To the Members of the Clare and Gilbert Valleys Council

### Independent Assurance report on the Internal Controls of the Clare and Gilbert Valleys Council

#### Opinion

We have audited the compliance of the Clare and Gilbert Valleys Council (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 2016 to 30 June 2017 have been conducted properly and in accordance with law.

In our opinion, the Clare and Gilbert Valleys Council 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 2016 to 30 June 2017.

#### Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the 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 2016 to 30 June 2017. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

#### The Council's Responsibility for Internal controls

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

#### Our Independence and Quality Control

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

**Auditor's responsibility**

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the Local Government Act 1999 in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements, 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 2016 to 30 June 2017. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of controls on a sample basis based on the assessed risks.

**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 which it was prepared

**GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**

**Tim Muhlhausler CA, Registered Company Auditor**  
Partner

20 / 11 / 2017

CLARE & GILBERT VALLEYS COUNCIL

ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2017

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of THE Clare & Gilbert Valleys Council for the year ended 30 June 2017, the Council's Auditor, Galpins Accountants, Auditors & Business Consultants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....  
John COOMBE OAM  
ACTING CHIEF EXECUTIVE OFFICER



.....  
John COMRIE  
PRESIDING MEMBER  
AUDIT COMMITTEE

Date: 15 NOVEMBER 2017

**CLARE & GILBERT VALLEYS COUNCIL**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2017**

**STATEMENT BY AUDITOR**

I confirm that, for the audit of the financial statements of the Clare & Gilbert Valleys Council for the year ended 30 June 2017, 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.

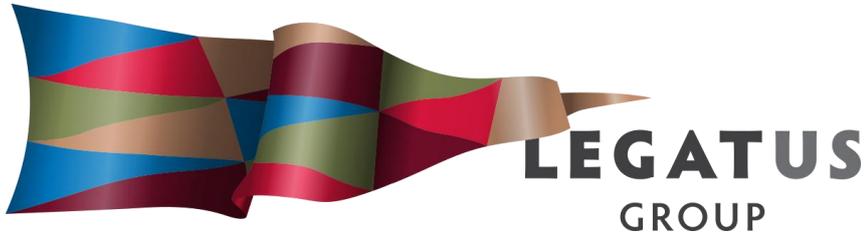
This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.



**Tim Muhlhausler**

**GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**

Dated this 20th day of November 2017



## **2016/2017 ANNUAL REPORT**

This report was adopted at the Annual General Meeting of the Legatus Group held on 8 September 2017.

The Legatus Group Charter clause 6.3 Annual Report

6.3.1 The Legatus Group must each year, produce an Annual Report summarising the activities, achievements and financial performance of the Legatus Group for the preceding Financial Year.

6.3.2 The Annual Report must incorporate the audited financial statements of the Legatus Group for the relevant Financial Year.

6.3.3 The Annual Report must be provided to the Constituent Councils by 30 September each year.

**The Legatus Group is a regional subsidiary of:**

- Adelaide Plains Council
- Clare & Gilbert Valleys Council
- Copper Coast Council
- District Council of Barunga West
- District Council of Mount Remarkable
- District Council of Orroroo/Carrieton
- District Council of Peterborough
- Light Regional Council
- Northern Areas Council
- Port Pirie Regional Council
- Regional Council of Goyder
- The Barossa Council
- The Flinders Ranges Council
- Wakefield Regional Council
- Yorke Peninsula Council

The Central Local Government Region was established in 1998 under Section 200 of the Local Government Act 1934 as a controlling authority. It now continues in existence and as a regional subsidiary of its member Councils under Part 2 of Schedule 2 of the Local Government Act 1999 by the provisions of Section 25 of the Local Government (Implementation) Act 1999. In 2016 the Central Local Government Region of South Australia adopted the name of Legatus Group to which it is now referred.

The Legatus Group is established to:

- undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level
- facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving improvement for the benefit of the communities of its Constituent Councils
- develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community
- develop further co-operation between its Constituent Councils for the benefit of the communities of the region
- develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities of the region
- undertake projects and activities that benefit the region and its communities
- associate, collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest.

The Legatus Group is a body corporate and is governed by a Board of Management which has the responsibility to manage all activities of the group and ensure that they act in accordance with its Charter. The Region's area spans the Barossa Valley through the Clare Valley, Yorke Peninsula, Adelaide Plains, Mid and Upper North districts through to the Flinders Ranges, covering 27 per cent of the incorporated area of the State and comprising some 27 per cent of the State's population outside of Adelaide.

**Contact Details:** Address: 155 Main North Road CLARE SA 5453 PO Box 419 CLARE SA 5453 Telephone: 08 88422222 Email: [ceo@legatus.sa.gov.au](mailto:ceo@legatus.sa.gov.au) Website: [www.legatus.sa.gov.au](http://www.legatus.sa.gov.au)

**Legatus Group Board of Management:** The Board shall consist of all the principal members of the Constituent Councils which for 2016/2017 were:

<b>Council</b>	<b>Delegate</b>
<b>Adelaide Plains Council</b>	<b>Mayor Tony Flaherty</b>
<b>Clare &amp; Gilbert Valleys Council</b>	<b>Mayor Allan Aughey OAM</b>
<b>Copper Coast Council</b>	<b>Mayor Paul Thomas AM</b>
<b>District Council of Barunga West</b>	<b>Mayor Cynthia Axford</b>
<b>District Council of Mount Remarkable</b>	<b>Mayor Sandra Wauchope replaced by Mayor Colin Nottle</b>
<b>District Council of Orroroo Carrieton</b>	<b>Chairman Kathie Bowman</b>
<b>District Council of Peterborough</b>	<b>Mayor Ruth Whittle OAM</b>
<b>Light Regional Council</b>	<b>Mayor Bill O'Brien</b>
<b>Northern Areas Council</b>	<b>Mayor Denis Clark</b>
<b>Port Pirie Regional Council</b>	<b>Mayor John Rohde</b>
<b>Regional Council of Goyder</b>	<b>Mayor Peter Matthey</b>
<b>The Barossa Council</b>	<b>Mayor Bob Sloane</b>
<b>The Flinders Ranges Council</b>	<b>Mayor Peter Slattery</b>
<b>Wakefield Regional Council</b>	<b>Mayor Rodney Reid</b>
<b>Yorke Peninsula Council</b>	<b>Mayor Ray Agnew OAM</b>

## Office Bearers for 2016/17

<b>Chairman:</b>	<b>Mayor Peter Matthey</b>
<b>Deputy Chairs:</b>	<b>Mayor Denis Clark Mayor Sandra Wauchope (until 18 November 2016) Mayor Allan Aughey (from 18 November 2016)</b>
<b>Executive Members:</b>	<b>Mayor Rodney Reid Mayor Ray Agnew OAM</b>
<b>Delegate to the LGA Board representing the Central Region of the LGA Constitution:</b>	<b>Mayor Denis Clark (Northern Areas) LGA Board Member Mayor Peter Matthey (Goyder) LGA Board Member Mayor Allan Aughey OAM (Clare &amp; Gilbert Valley) LGA Deputy Board Member</b>
<b>Chief Executive Officer:</b>	<b>Mr David J. Stevenson (until 5 June 2017) Mr Simon Millcock (from 5 June 2017)</b>
<b>Auditor:</b>	<b>Mr Ian G. McDonald FCA</b>

## Meetings of the Legatus Group

The following meetings of the Board of Management were held during the 2016/17 year:

- Annual General Meeting 19 August 2016
- Ordinary Meeting 19 August 2016
- Ordinary Meeting 18 November 2016
- Ordinary Meeting 17 February 2017
- Special Meeting 31 March 2017
- Ordinary Meeting 19 May 2017

## Committee Meetings

There were five committees formed in 2016/2017

Committee	Members	Meeting Dates
Executive Committee	<ul style="list-style-type: none"> <li>• Mayor Peter Matthey (Chair)</li> <li>• Mayor Denis Clark</li> <li>• Mayor Sandra Wauchope/Mayor Allan Aughey</li> <li>• Mayor Rodney Reid</li> <li>• Mayor Ray Agnew</li> </ul>	Nil
Audit Committee	<ul style="list-style-type: none"> <li>• Mayor Ray Agnew (Chair)</li> <li>• Chair Kathie Bowman</li> <li>• Mayor Colin Nottle (19 May 2017)</li> <li>• Dr Andrew Johnson</li> <li>• Mr Colin Davies</li> </ul>	24 February 2017
Management Group	<ul style="list-style-type: none"> <li>• Mr Colin Byles (Northern Areas) (Chair)</li> <li>• Mr Martin McCarthy (Barossa)</li> <li>• Mr Andrew Cole (Barunga West)</li> <li>• Mr Roy Blight (Clare &amp; Gilbert Valleys)</li> <li>• Mr Peter Harder (Copper Coast)</li> <li>• Mr Colin Davies (Flinders Ranges)</li> <li>• Mr John Brak (Goyder) and Mr Griff Campbell (acting CEO January until June 2017)</li> <li>• Mr Brian Carr (Light)</li> <li>• Mr Wayne Hart (Mt Remarkable)</li> <li>• Mr Stephen Rufus (Orroroo/Carrieton)</li> <li>• Mr Peter McGuinness (Peterborough)</li> <li>• Dr Andrew Johnson (Pirie Regional)</li> <li>• Mr Christopher Parish (Wakefield) then Mr Jason Kuchel</li> </ul>	5 August 2016 14 October 2016 1 December 2016 3 February 2017 30 June 2017

	<ul style="list-style-type: none"> <li>• Mr Andrew Cameron (Yorke Peninsula)</li> </ul>	
Road & Transport Infrastructure Advisory Committee:	<ul style="list-style-type: none"> <li>• David Hassett (Wakefield),</li> <li>• Fred Linke (Barunga West),</li> <li>• Lee Wallis (Goyder),</li> <li>• Peter Porch (Northern Areas),</li> <li>• Kieren Chappell (Light)</li> <li>• Colin Davies (Flinders Ranges),</li> <li>• Stephen Rufus (Orroroo),</li> <li>• Jo-Anne Buchanan (RDA),</li> <li>• Steve Kaesler (Barossa)</li> </ul>	10 April 2017 19 April 2017
Regional Climate Change Steering Committee	<ul style="list-style-type: none"> <li>• Kelly-Anne Saffin (RDA Yorke &amp; Mid North)</li> <li>• Trevor Naismith (Natural Resources Northern Yorke)</li> <li>• David Stevenson</li> <li>• Michelle Benison (Department of Environment, Water and Natural Resources)</li> </ul>	7 November 2016 30 Jan 2017 6 March 2017 1 May 2017

## CHAIRMAN'S REPORT

It has been my pleasure to serve as your Chairman in 2016/17 and I would like to take this opportunity to report on some of the highlights from the year. We developed and adopted a suite of major policies in education, health, national resource management, regional development, roads and infrastructure, sports and recreation. It is however important now as we move closer to the State election that our major policies reflect our regional needs.

The Roads Infrastructure Advisory Committee undertook the 2017/18 Special Local Roads program and it would appear from notice received yesterday that our application this year has been successful.

Our battle to see a quality outcome to the NRM Levy debacle remains unsatisfactorily resolved, but that wasn't from the lack of effort put in across the local government sector and in particular our region. But rather a broader misunderstanding by Minister Hunter to see that local government shouldn't be burdened with the necessity to collect a state tax which seemingly then bears little to no resemblance to the costs of delivering services on the ground by his department and NRM boards alike.

On a similar note work to reduce the red tape and improve efficiency in Crown lands has continued, albeit been met with echoes of complexity and time delays from the state government.

The region has been proactive in supporting the challenges and changing environment our regional and rural hospitals and health services find themselves in. Without these critical services, the very foundations of our towns are continuing to be threatened.

Our effort to encourage and foster closer working relationships with the RDA were slowed when the federal government announced a national review. The review is now complete and it would appear little significance will come of it. However, we remain close allies and maintain local government can be a continuing catalyst for efficient and effective delivery of economic development across the region.

The work the region has done to have rubble royalties removed has made significant progress over the year. This is a shining example of how our region has been able to garner support across the entire state through perseverance and collaboration. It is also an example of how the LGA can work closely with regions in a support role.

Our Charter was reviewed and there are still some minor amendments to make, but given this has been the most substantial change in the Charter for many years I'm pleased Councils have worked positively toward improving our governance.

The Regional Transport Plan 2030 is due for completion soon; this work will help improve the understanding and complexities of our regional road transport networks, their purpose and the users. There are ever increasing size vehicles using regional Council roads to move large volumes of agricultural products. Also, the burgeoning tourism and community connectivity needs.

The Mega Trends Forum was held earlier this year in association with the RDA and NRM, the region hosted a very successful day and the key note speaker Dr John Hewson was blunt and insightful about politics and business in South Australia and nationally.

In closing we have also appointed a new CEO, I hope Simon is settling in and wish him well.

Mayor Peter Matthey

Chairman Legatus Group

## **Achievements for 2016/17**

### **Within the focus areas for Legatus Group:**

#### **1. BOARD OPERATION AND GOVERNANCE**

*Operation of Legatus Group is in accordance with legislative requirements and the boards policies and procedures.*

- Committees that operated under the Charter all conducted their operations within their terms of reference.
- Employment of Procurement Officer July 2016 and offer for extension May 2017.
- Managed the contract for Climate Change Project Officer.
- Appointment of a new Chief Executive Officer in June 2017.
- Adoption of the 2016/17 Business Plan and Budget.
- Acquittals to the Local Government on all funding and Research and Development Scheme were completed.
- Policy Development and Implementation
- Ten Year Strategic Plan progressing

- Brand & Identity Plan – name change / logo and website developed
- Charter Review completed
- Policies and procedures developed and accepted including employee policies
- Relocation of Office

## **2. LOCAL GOVERNMENT LEADERSHIP AND SUSTAINABILITY**

*Legatus Group are well regarded by its members and stakeholders as a valid and relevant organisation that assists with regional collaboration and is supportive of actions on key identified regional priorities.*

*Support members to engage collaboratively to improve service delivery, resourcing and financial capacity including through identified procurement activities.*

*Increased awareness by key stakeholders and political decision makers of key regional issues.*

These progressed in 2016/2017 and increased development of the Legatus Group occurred through several partnerships and one of major importance is that with the Local Government Association of South Australia. This included major funding through the Outreach Program and the Regional Capacity building allocations. These programs have allowed the Legatus Group to become a stronger and more relevant to our Constituent Councils. This has occurred in the form of cost and organisational efficiencies and with enhanced alignment across our region in the form of sub regional and whole of region initiatives. The year has engendered an alignment of LGA strategies and actions with the Legatus Group region and this is relevant to both organisations as they are critical objective to both.

This alignment has allowed Legatus Group to progress with appropriate policies and procedures and establish procurement and a new website. During the year, there was continued progress against a number of priority activities.

The transition from Central Local Government Region into the Legatus Group was completed which enabled the development of a new Charter and the creation of a contemporary brand and image. A significant amount of work was completed in conjunction with the selected Brand Agency to define the work brief and produce a design and style guide for use in all communications.

Once this branding exercise was completed, we were able to immediately use the style guide as the basis to engage with our I.T. provider and jointly develop the Legatus website. The Website architecture, layout, content and level of interactivity was completed with the formal launch occurring in Q4 2016

The offering included submitted images from each of our Member Councils as well as a 'Members Only' section that provides access to a range of procurement documentation for use in normal day to day Council procurement activities.

Other partnerships which have been of importance during 2016/2017 has been with the various Regional Development Australia (RDA) and Natural Resource Management (NRM) Organisations that cover the Legatus Group region. Due to the complexity of these various regions a focus has seen 2016/2017 focus on working with the RDA Yorke Mid North (YMN) and Northern and Yorke NRM. Expanding into the other RDA's and NRM's needs to also be considered.

Legatus Group continued to be an active member of the South Australian Regional Organisation of Councils and has benefitted from the support of the 5-other regional Executive Officers.

## **3. REGIONAL & COMMUNITY SUSTAINABILITY**

The long-term regional economic, environmental and social sustainability is fostered through pro-active, innovative, efficient and collaborative approaches to priority issues.

## Projects

Project	Topic / Commentary / Detail
Regional Procurement (more detailed report provided)	<ul style="list-style-type: none"> <li>• Legatus Group strategic alliance to establish a collaborative regional approach to the procurement function</li> <li>• MoU by member Councils to collectively acknowledge the value, benefit and objectives of the Legatus Procurement Group</li> <li>• Legatus website and the first Legatus Tender being called through this medium (supply of bulk diesel fuel)</li> </ul>
Regional Climate Change	<ul style="list-style-type: none"> <li>• Guideline to Plan Climate Change Actions tendered               <ul style="list-style-type: none"> <li>○ Literature review and implementation plan with guidelines for individual councils tested along with development of monitoring and case studies developed.</li> </ul> </li> <li>• Final draft of Coast Adaptation report submitted</li> <li>• Inundation mapping progressed with Yorke Peninsula Council</li> <li>• Draft sector agreement completed</li> <li>• Regular steering committee meetings held</li> </ul>
Regional Rubble Royalty repeal	<ul style="list-style-type: none"> <li>• Progress with Department of State Development and Cement Concrete &amp; Aggregates Australia with positive impact and successful outcomes to be achieved with outstanding matter being the decision on distances and possible repeal</li> <li>• Data collection from across State collated and distributed</li> </ul>
Regional Alliance RDAY&MN and NRMN&Y	<ul style="list-style-type: none"> <li>• Legatus Group relocates to the regional agency hub as a co-tenant with both RDAY&amp;MN and NRMN&amp;Y</li> <li>• Regional Plan being progressed with all 3 organisations being partners</li> <li>• Sub regional leaders program progressing</li> </ul>
Regional Crown Land Red Tape Reduction	<ul style="list-style-type: none"> <li>• Progress made with Department of Environment, Water and Natural Resources and Crown Lands</li> <li>• Prioritising by region and ability to work with Crown Lands on identified strategic land to progress</li> </ul>
Community Waste Management Scheme	<ul style="list-style-type: none"> <li>• CWMS Management Committee confirmed funding to Legatus Group for the formation of the Central Local Government Region CWMS User Group.</li> <li>• Initial meeting held and proposal by Rashlee Pty Ltd for a 12-month program to developed.</li> </ul>

State Recoveries Procedure	<ul style="list-style-type: none"> <li>• Relevant data documented on the Clare and Gilbert Valleys Council claim through the State Recoveries Office for damages relating to the extreme weather event experienced in the region in September of 2016.</li> <li>• Review required and need to establish the support of the LGA to advocate the case on our behalf to the State Government.</li> </ul>
Regional Transport Plan for Legatus	<ul style="list-style-type: none"> <li>• HDS Australia commenced work on the 2030 Regional Transport Plan</li> <li>• Desk top research undertaken</li> <li>• Formation of Legatus Transport &amp; Infrastructure Advisory Committee</li> </ul>
National Disability Insurance Scheme	<ul style="list-style-type: none"> <li>• Membership of the Yorke Mid North Hub delivering project and action plans in partnership with RDA YMN.</li> </ul>

## PROCUREMENT

Following the identification of procurement as a function of the Legatus Group, Paul Kennedy was contracted for 12 months on 25.07.2016 as the Legatus Group Procurement Officer.

The key aspect of the procurement function is to form an alliance to improve respective procurement activity and to benefit from economies of scale. This is designed to reduce the cost of services to ratepayers and ensure a coordinated approach to the regional procurement of goods and services. A procurement Memorandum of Understanding (MoU) was signed by the CEO's of all the Legatus Group in November 2016.

The Legatus Procurement Working Group was established with a nominated representative from each Council to meet, identify, discuss, review and prioritise the regional procurement activity. These meetings actively encouraged the cultivation of cross communication, sharing of information, experiences and practical examples of problems and solutions.

Some excellent knowledge has been gathered and the spirited nature of discussions has ensured their constructive value.

Following the development and implementation of the new Legatus website, a standardised suite of procurement working documents was produced and loaded for immediate on-line access by our Member Councils. This full working set of templates are both best practice and have also been legalised. The suite of documents totals some 650 pages in number and are downloadable for members who then only need to place their individual council logo on the required set.

Our thanks go to The Barossa Council for their assistance in compiling these documents.

This has provided an immediate saving in labour, whilst at the same time standardising the procurement documents in use throughout the region. The website is also accessible for registered suppliers to access tender opportunities in addition to being able to download a complete sample set of Work, Health and Safety documents and tools.

A formal Legatus Procurement Policy was developed and published in Quarter 1, 2017 that sets out in detail the standards and processes that will be adopted for the provision of services, purchasing of goods and services and the disposal of land and other assets.

The policy addresses the key elements of the conduct of the Legatus Group in these areas and the principles that will guide its decision-making- process.

Key principles include the compliance with our statutory obligations and the National Competition Policy and our participation with other spheres of government, community groups and the private sector in service delivery.

A critical component of the Policy is that full consideration is taken of the impact of service delivery on community and social issues.

The Legatus Group clearly states that a main procurement consideration is the existence of local suppliers of the goods or services and the subsequent impact on the local economy if the goods or services were purchased from outside of the region.

The Legatus Procurement Working Group is proving an ideal forum to bring together Member Council staff who have a procurement responsibility with a view to cultivating cross communication, collaboration in procurement planning and the identification of regional procurement opportunities. There have been 22 topics relevant to procurement that have been discussed.

Over the 2016/17 financial year, the procurement working group meetings have averaged seven attendees from the twelve participating Councils.

All Member Council Mayor's and CEO's signed the Procurement MoU as a clear demonstration of the support of all Councils for the procurement initiative.

It is imperative that this in principle support is translated into on the ground attendance and participation in the activities of the group.

The Local Government Association Procurement are undertaking an aggressive plan of revenue expansion and Legatus Group engaged with them to assess the potential for a closer working relationship between the two groups. With no decision made during 2016/2017.

The Diesel Fuel Tender proved to be a lengthier process than was initially intended and should be completed in early 2017/2018. It was appropriate to engage with our legal counsel to ensure that the first proposed Legatus contract was in accordance with current best industry practice.

They recommended some changes be implemented and this resulted in the addition of around three months of discussions as a proposed contract was drafted and revised several times. The tender process had reached the completion of the first assessment team meeting. It was following this initial assessment meeting that a participating Council removed themselves from the process for confidential reasons. This introduced a range of logistical and probity complexities that were required to again be overseen by our legal team.

A new specification document then needed to be drafted to reflect the reduced volume of the overall tender. This was supplied back to the market along with the draft contract document for the tenderers to review and resubmit their offering.

The initial annual saving to the region was in the vicinity of \$45K per annum and we expect this to reduce by around 25% with the lower annual volumes.

Work commenced on the 2017/18 Procurement Plan is to assemble all the capital budgets from our councils to deliver:

- A regional summary spreadsheet that details the budgeted expenditure by Councils which will be broken down by category.
- A recommended strategic procurement plan by category for consideration.
- The Legatus Procurement Working Group will then meet, review and prioritise the regional procurement activity.

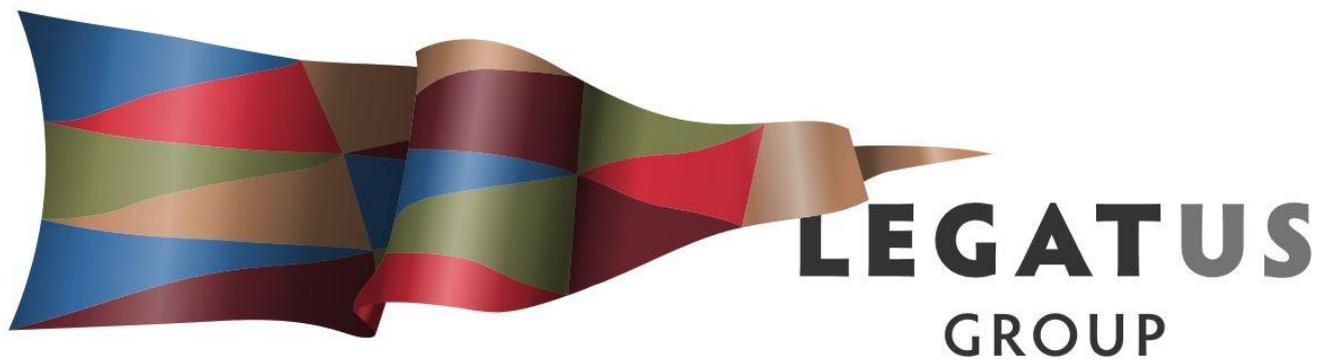
- Participating members will confirm their individual category data sets and commit to joining in to the joint procurement process.
- Legatus Group will then undertake the preparation of specifications and tender documents in accordance with the prioritised procurement plan.
- The market engagement will be in accordance with the Legatus Procurement Policy.
- Tenders and quotations will be received, collated and prepared for assessment by the participating members.
- Recommendations are then submitted to the Legatus Board for ratification and contracts and purchase orders will be awarded subject to the direction of the board.
- Legatus Group will then undertake the contract management and post procurement review of each decision to ensure that all efficiencies and cost savings are captured and reported on.
- The early indication is that around \$40mill of combined Member Council procurement activity can be processed through this collaborative approach.

This joint initiative will be a clear demonstration of the value in maintaining a centralised procurement function that will result in:

- Reduce the regional duplication of procurement activity
- Produce improved cost savings and return greater operational efficiencies
- Improved probity and risk
- The stimulation of regional collaboration and economic development

**CENTRAL LOCAL GOVERNMENT REGION OF  
SOUTH AUSTRALIA**

trading as



**ANNUAL FINANCIAL STATEMENTS**

for the financial year

**1 July 2016 – 30 June 2017**

As adopted at the Annual General Meeting held 8 September 2017

**LEGATUS GROUP**

**General Purpose Financial Reports**  
for the year ended 30 June 2017

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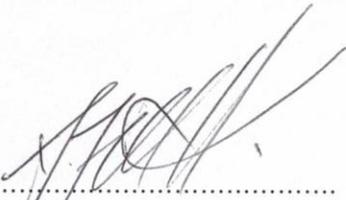


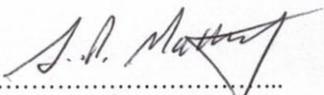
**LEGATUS GROUP**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2017**

**CERTIFICATION OF FINANCIAL STATEMENTS**

We have been authorised by the Group 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 Group's financial position at 30 June 2017 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Group provide a reasonable assurance that the Group's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Group's accounting and other records.

  
.....  
Simon Millcock  
**Chief Executive Officer**

  
.....  
Mayor Samuel Peter Matthey  
**President**

Date:

**LEGATUS GROUP**

**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 30 June 2017

		2017	2016
	Notes	\$	\$
<b>INCOME</b>			
Grants, subsidies and contributions	2	348,889	316,166
Investment income	2	12,205	13,869
Reimbursements	2	25,105	-
Other income	2	194,538	154,140
<b>Total Income</b>		<u>580,737</u>	<u>484,175</u>
<b>EXPENSES</b>			
Employee costs	3	261,600	92,626
Materials, contracts & other expenses	3	279,405	264,741
Depreciation, amortisation & impairment	3	9,487	3,243
Finance costs	3	24	-
<b>Total Expenses</b>		<u>550,516</u>	<u>360,610</u>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>30,221</b>	123,565
<b>NET SURPLUS / (DEFICIT)</b>		<u>30,221</u>	<u>123,565</u>
transferred to Equity Statement			
<b>Total Other Comprehensive Income</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>30,221</u>	<u>123,565</u>

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

**LEGATUS GROUP**

**STATEMENT OF FINANCIAL POSITION**  
as at 30 June 2017

	Note	2017	2016
<b>ASSETS</b>	s	\$	\$
<b>Current Assets</b>			
Cash and cash equivalents	5	<b>719,859</b>	556,783
Trade & other receivables	5	<b>25,404</b>	124,056
<b>Total Current Assets</b>		<b><u>745,263</u></b>	<u>680,839</u>
<b>Non-current Assets</b>			
Infrastructure, property, plant & equipment	7	<b>23,799</b>	30,110
<b>Total Non-current Assets</b>		<b><u>23,799</u></b>	<u>30,110</u>
<b>Total Assets</b>		<b><u>769,062</u></b>	<u>710,949</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	8	<b>47,649</b>	18,928
Provisions	8	<b>5,214</b>	6,060
<b>Total Current Liabilities</b>		<b><u>52,863</u></b>	<u>24,988</u>
<b>Non-current Liabilities</b>			
Provisions	8	<b>172</b>	155
<b>Total Non-current Liabilities</b>		<b><u>172</u></b>	<u>155</u>
<b>Total Liabilities</b>		<b><u>53,035</u></b>	<u>25,143</u>
<b>NET ASSETS</b>		<b><u>716,027</u></b>	<u>685,806</u>
<b>EQUITY</b>			
Accumulated Surplus		<b>121,695</b>	113,143
Other Reserves	9	<b>594,332</b>	572,663
<b>TOTAL EQUITY</b>		<b><u>716,027</u></b>	<u>685,806</u>

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

**LEGATUS GROUP**

**STATEMENT OF CHANGES IN EQUITY**  
for the year ended 30 June 2017

		Accumulated Surplus	Other Reserves	TOTAL EQUITY
2017	Note	\$	\$	\$
Balance at end of previous reporting period		113,143	572,663	685,806
<b>Net Surplus / (Deficit) for Year</b>		<b>30,221</b>		<b>30,221</b>
<b>Other Comprehensive Income</b>				
Transfers between reserves	9	<b>(21,669)</b>	21,669	-
<b>Balance at end of period</b>		<b>121,695</b>	<b>594,332</b>	<b>716,027</b>
<b>2016</b>				
Balance at end of previous reporting period		68,145	494,096	562,241
<b>Net Surplus / (Deficit) for Year</b>		123,565		123,565
<b>Other Comprehensive Income</b>				
Transfers between reserves		<b>(78,567)</b>	78,567	-
<b>Balance at end of period</b>		<b>113,143</b>	<b>572,663</b>	<b>685,806</b>

**LEGATUS GROUP**

**STATEMENT OF CASH FLOWS**  
for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts</u>			
Investment receipts		12,205	14,132
Grants utilised for operating purposes		490,490	224,444
Reimbursements		15,400	-
Other revenues		188,416	217,562
<u>Payments</u>			
Employee costs		(266,402)	(81,342)
Materials, contracts & other expenses		(273,833)	(326,485)
Finance payments		(24)	-
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>166,252</b>	48,311
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
<u>Payments</u>			
Expenditure on renewal/replacement of assets		-	(33,353)
Expenditure on new/upgraded assets		(3,176)	-
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(3,176)</b>	(33,353)
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
<u>Payments</u>			
<b>Net Increase (Decrease) in cash held</b>		<b>163,076</b>	14,958
Cash & cash equivalents at beginning of period	11	556,783	541,825
<b>Cash &amp; cash equivalents at end of period</b>	11	<b>719,859</b>	556,783

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

# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### 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

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* dated 9<sup>th</sup> August 2014.

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

All amounts in the financial statements have been rounded to the nearest dollar (\$).

#### 1.1 Historical Cost Convention

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

#### 1.2 The Local Government Reporting Entity

The Legatus Group ("the Group") is a regional subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999.

The Constituent Councils are:

- |   |  |
|---|--|
| 1. The Barossa Council                  | 2. District Council of Mount Remarkable  |
| 3. District Council of Barunga West     | 4. Northern Areas Council                |
| 5. Clare and Gilbert Valleys Council    | 6. District Council of Orroroo/Carrieton |
| 7. District Council of the Copper Coast | 8. District Council of Peterborough      |
| 9. The Flinders Ranges Council          | 10. Port Pirie Regional Council          |
| 11. Regional Council of Goyder          | 12. Wakefield Regional Council           |
| 13. Light Regional Council              | 14. Yorke Peninsula Council, and         |
| 15. Adelaide Plains Council.            |  |

All funds received and expended by the Group have been included in the Financial Statements forming part of this Financial Report.

#### 1.3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Group obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Group's operations for the current reporting period.

#### 1.4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Group'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 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 13.

### **1.5 Property, Plant & Equipment**

All non-current assets purchased are capitalised as the expenditure is incurred and depreciated as soon as the asset is held “ready for use”. All assets are recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Group 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 as follows:

Office Furniture & Equipment	\$1,000
Motor Vehicles, Other Plant & Equipment	\$1,000

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of the Group, 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 7.

### **1.6 Payables**

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

Amounts received from external parties in advance of service delivery are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

### **Employee Benefits**

#### **Salaries, Wages & Compensated Absences**

The Group has two employees as at the 30<sup>th</sup> June 2017, a Chief Executive Officer and a Regional Procurement Officer. Liabilities for employees’ entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

Weighted average discount rate	2.10% (2016, 2.08%)
Weighted average settlement period	10 years (2016, 10 years)

No accrual is made for sick leave as the Group’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 Group does not make payment for untaken sick leave.

### **Superannuation**

The Group contributes the statutory 9.5% SGC superannuation to the nominated superannuation funds for the Chief Executive Officer and Regional Procurement Officer.

### **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.

### **Pending Accounting Standards**

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2017 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 17	Leases
AASB 1058	Income of Not-for-Profit Entities

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

(Standards not affecting local government have been excluded from the above list.)

The Group is of the view that other than AASB 16 and AASB 1058, none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

Accounting Standard AASB 1058 Income of Not-for-Profit Entities may have a material effect on the amounts disclosed in these reports, particularly in revenues from grants & subsidies, but does not commence until the 2019/20 financial period, and it is not Group's intention to adopt this Standard early.

# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2017

### Note 2 - INCOME

	2017	2016
	\$	\$
<b>INVESTMENT INCOME</b>		
Interest on investments		
Local Government Finance Authority	12,117	13,795
Banks & other	88	74
	<b>12,205</b>	<b>13,869</b>
<b>REIMBURSEMENTS</b>		
Legal, Climate Change, USGRPG	25,105	-
	<b>25,105</b>	-
<b>OTHER INCOME</b>		
Council Contributions	159,545	154,140
Sundry	34,993	-
	<b>194,538</b>	<b>154,140</b>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>		
Sundry	348,889	316,166
	<b>348,889</b>	<b>316,166</b>
<i>Sources of grants</i>		
State government	348,889	231,166
Other	-	85,000
	<b>348,889</b>	<b>316,166</b>
<b>Conditions over grants &amp; contributions</b>		
<i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i>		
<i>Unexpended at the close of the previous reporting period</i>	221,570	143,003
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>		
A009-Special Projects	(6,281)	-
P009-Climate Change	(4,761)	-
P015-Local Government Reform	-	(48,952)
P026-Strategic Procurement	(31,100)	-
P022-Roads & Transport	-	(127)
P023-Outreach Collaboration Project	-	(52,923)
P027-LG Reform - Incentive Risk	-	(5,471)
<i>Subtotal</i>	<b>(42,142)</b>	<b>(107,473)</b>
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
P022-Roads & Transport	11,314	-
P024-Climate Change Co-ordinator 2015-17	43,943	-
P025-Outreach Phase 2	33,235	50,000
P026-Strategic Procurement	-	31,100
P028-Regional Capacity Building	98,086	104,940
<i>Subtotal</i>	<b>186,578</b>	<b>186,040</b>
<i>Unexpended at the close of this reporting period</i>	<b>366,006</b>	<b>221,570</b>
<i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>	<b>144,436</b>	<b>78,567</b>

# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 3 - EXPENSES

	2017	2016
	\$	\$
<b>EMPLOYEE COSTS</b>		
Salaries and Wages	209,804	75,887
Employee leave expense	15,991	6,217
Superannuation	20,785	7,209
Insurance	2,550	872
CEO relocation	3,761	-
Professional Development	1,007	-
FBT	7,702	2,441
<b>Total Operating Employee Costs</b>	<b>261,600</b>	<b>92,626</b>
<b>Total Number of Employees</b>	<b>2</b>	<b>1</b>
<i>(Full time equivalent at end of reporting period)</i>		
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>		
<u>Prescribed Expenses</u>		
Auditor's Remuneration		
- Auditing the financial reports	1,650	1,683
Subtotal - Prescribed Expenses	<b>1,650</b>	<b>1,683</b>
 <u>Other Materials, Contracts &amp; Expenses</u>		
Contractors & Consultants	202,888	220,098
Legal Expenses	8,202	8,639
Unleaded Fuel	4,934	3,410
Members Allowances & Support	4,264	6,024
Meetings & Conferences	4,852	3,175
Insurance	7,624	7,585
Rental - Premises	10,581	3,182
Advertising	1,050	2,093
Accommodation	3,959	915
Airfares	2,157	1,361
Travel : Reimbursement	7,036	15
Catering & Meals	4,768	1,098
Telephone & Internet	4,434	455
Postages/Stationery/IT	5,586	4,408
Sundry	5,420	600
Subtotal - Other Materials, Contracts & Expenses	<b>277,755</b>	<b>263,058</b>
	<b>279,405</b>	<b>264,741</b>
<b>DEPRECIATION</b>		
Motor Vehicle	6,311	3,243
Computers & Software	3,176	-
	<b>9,487</b>	<b>3,243</b>
<b>FINANCE COSTS</b>		
Interest on bank account	24	-
	<b>24</b>	<b>-</b>

# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

2017	2016
\$	\$

### Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

Nil	Nil
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### Note 5 - CURRENT ASSETS

#### CASH & EQUIVALENT ASSETS

Cash on Hand and at Bank	77,915	21,879
Deposits at Call	641,944	534,904
	<u>719,859</u>	<u>556,783</u>

#### TRADE & OTHER RECEIVABLES

Accrued Revenues	2,687	2,610
Debtors - general	12,139	-
Other levels of Government	-	115,434
GST Recoupment	10,578	4,421
Prepayments	-	1,591
	<u>25,404</u>	<u>124,056</u>

### Note 6 - NON-CURRENT ASSETS

FINANCIAL ASSETS	Nil	Nil
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# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2017

	Fair Value Level	2016 \$				2017 \$			
		AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
<b>Note 7 - INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>									
Motor Vehicle		-	33,353	(3,243)	30,110	-	33,353	(9,554)	23,799
Computers & Software		-	772	(772)	-	-	3,948	(3,948)	-
<b>TOTAL PLANT &amp; EQUIPMENT</b>		-	34,125	(4,015)	30,110	-	37,301	(13,502)	23,799
<i>Comparatives</i>		-	772	(772)	-	-	34,125	(4,015)	30,110

	2016 \$	CARRYING AMOUNT MOVEMENTS DURING YEAR							2017 \$		
		CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	
			New/Upgrade	Renewals				In			Out
<b>Note 7 - INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>											
Motor Vehicle	30,110	-	-	-	(6,311)	-	-	-	-	23,799	
Computers & Software	-	3,176	-	-	(3,176)	-	-	-	-	-	
<b>TOTAL PLANT &amp; EQUIPMENT</b>	<b>30,110</b>	<b>3,176</b>	-	-	<b>(9,487)</b>	-	-	-	-	<b>23,799</b>	
<i>Comparatives</i>	-	33,353	-	-	(3,243)	-	-	-	-	30,110	

# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 8 - LIABILITIES

	2017		2016	
	\$		\$	
<b>TRADE &amp; OTHER PAYABLES</b>	Current	Non-current	Current	Non-current
Goods & Services	23,399		317	
Accrued expenses - employee entitlements	1,096	-	5,069	-
GST & PAYG	23,154	-	13,542	-
	<u>47,649</u>	<u>-</u>	<u>18,928</u>	<u>-</u>
<b>PROVISIONS</b>				
Employee entitlements (including oncosts)	5,214	172	6,060	155
	<u>5,214</u>	<u>172</u>	<u>6,060</u>	<u>155</u>

### Note 9 - RESERVES

<b>OTHER RESERVES</b>	1/7/2016	Transfers to Reserve	Transfers from Reserve	30/6/2017
General Reserve	31,093	-	-	31,093
1 A009-Special Projects	17,341	-	(2,000)	15,341
2 P003-Waste Management	16,273	-	-	16,273
P009-Climate Change	4,761	-	(4,761)	-
P015-Local Government Reform	111,048	-	(111,048)	-
3 P022-Roads & Transport	26,578	11,314	-	37,892
4 P024-Climate Change Co-Ordinator 2015-17	19,529	43,943	-	63,472
5 P025-LG Outreach Phase 2	50,000	33,235	-	83,235
P026-Strategic Procurement	31,100	-	(31,100)	-
6 P027-LG Reform - Incentive Risk	160,000	-	(16,000)	144,000
7 P028-Regional Capacity Building	104,940	98,086	-	203,026
<b>TOTAL OTHER RESERVES</b>	<u>572,663</u>	<u>186,578</u>	<u>(164,909)</u>	<u>594,332</u>
	<u>494,096</u>	<u>346,040</u>	<u>(267,473)</u>	<u>572,663</u>

### PURPOSES OF RESERVES

#### Other Reserves

#### 1 A007-Special Projects

LGA funded support programme

#### 2 P003-Waste Management

State Government funded technical support programme

#### 3 P022-Roads & Transport

CLGR funded programme - Regional Development Australia Freight Strategy

#### 4 P024-Climate Change Co-ordinator 2015-17

Regional Partners and State Government funded programme

#### 5 P025-LG Outreach Phase 2

LGA funded programme

#### 6 P027-LG Reform - Incentive Risk

CEO Performance fund

#### 7 P028-Regional Capacity Building

Region rubble royalty % returned for project allocation 2017/18 on



# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

#### (a) Reconciliation of Cash

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

	Notes	2017 \$	2016 \$
Total cash & equivalent assets	5	<u>719,859</u>	<u>556,783</u>
Balances per Cash Flow Statement		<u>719,859</u>	<u>556,783</u>

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

Net Surplus (Deficit)		30,221	123,565
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		9,487	3,243
Net increase (decrease) in unpaid employee benefits		(4,802)	11,284
		<u>34,906</u>	<u>138,092</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		98,652	(59,763)
Net increase (decrease) in trade & other payables		32,694	(30,018)
<b>Net Cash provided by (or used in) operations</b>		<u>166,252</u>	<u>48,311</u>

#### (c) Non-Cash Financing and Investing Activities

#### (d) Financing Arrangements

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

Corporate Credit Cards	5,000	2,000
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### Note 12 - FUNCTIONS

The activities of the Region are categorised into the following programmes

- 1 A009-Special Projects
- 2 P003-Waste Management
- 3 P009-Climate Change
- 4 P015-Local Government Reform
- 5 P022-Roads & Transport
- 6 P023-Outreach Collaboration Project
- 7 P024-Climate Change Co-Ordinator 2015-17
- 8 P025-LG Outreach Phase 2
- 9 P026-Strategic Procurement
- 10 P027-LG Reform - Incentive Risk
- 11 P028-Regional Capacity Building

Income and expenses have been attributed to the functions/activities throughout the financial year.

# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 13 - FINANCIAL INSTRUMENTS

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

#### Accounting Policies - Recognised Financial Instruments

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Short term deposits are available on 24 hour call with the LGFA and have an interest rate of 1.5% as at 30 June 2017</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables - Trade &amp; Other Debtors</b>	<p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; conditions:</b> 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.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Liabilities - Creditors and Accruals</b>	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>

#### Liquidity Analysis

2017	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total	
				Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	719,859	-	-	719,859	719,859
Receivables	22,717	-	-	22,717	22,717
<b>Total</b>	<b>742,576</b>	<b>-</b>	<b>-</b>	<b>742,576</b>	<b>742,576</b>
<b>Financial Liabilities</b>					
Payables	46,553	-	-	46,553	46,553
<b>Total</b>	<b>46,553</b>	<b>-</b>	<b>-</b>	<b>46,553</b>	<b>46,553</b>
2016	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total	
				Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	556,783	-	-	556,783	556,783
Receivables	121,446	-	-	121,446	121,446
<b>Total</b>	<b>678,229</b>	<b>-</b>	<b>-</b>	<b>678,229</b>	<b>678,229</b>
<b>Financial Liabilities</b>					
Payables	13,859	-	-	13,859	13,859
<b>Total</b>	<b>13,859</b>	<b>-</b>	<b>-</b>	<b>13,859</b>	<b>13,859</b>

#### 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 Group.

#### 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 Group is the carrying amount, net of any allowance for doubtful debts. All Group 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 Group's boundaries, and there is no material exposure to any individual debtor.

**Market Risk** is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Group'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 Group 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.

**Interest Rate Risk** is the risk that future cash flows will fluctuate because of changes in market interest rates. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 15 - FINANCIAL INDICATORS

	2017	2016	2015
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These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

The Information Paper was revised in May 2015 and the financial indicators for previous years have been re-calculated in accordance with the revised formulas.

#### **Operating Surplus Ratio**

<u>Operating Surplus</u>	5.0%	26.0%	(60.0%)
Total Operating Revenue			

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

#### **Net Financial Liabilities Ratio**

<u>Net Financial Liabilities</u>	-119%	-135%	-113%
Total Operating Revenue			

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

#### **Asset Sustainability Ratio**

<u>Net Asset Renewals</u>	0%	0%	0%
Infrastructure & Asset Management Plan required expenditure			

*Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.*

# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2017 \$	2016 \$
Income	580,737	484,175
<i>less</i> Expenses	<u>550,516</u>	<u>360,610</u>
<b>Operating Surplus / (Deficit)</b>	<b>30,221</b>	<b>123,565</b>
<i>less</i> <b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	-	33,353
Depreciation, Amortisation and Impairment	<u>(9,487)</u>	<u>(3,243)</u>
	<b>(9,487)</b>	<b>30,110</b>
<i>less</i> <b>Net Outlays on New and Upgraded Assets</b>		
	<u>3,176</u>	<u>-</u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b><u>36,532</u></b>	<b><u>93,455</u></b>

# LEGATUS GROUP

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 23 - RELATED PARTY DISCLOSURES

#### KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Group include the 15 Mayors/Chairpersons of the constituent Councils and the CEO. In all, 3 persons were paid the following total compensation:

	2017
	\$
Salaries, allowances & other short term benefits	
Post-employment benefits	
Long term benefits	TBA
Termination benefits	
<b>TOTAL</b>	

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

	2017
	\$
Contributions for fringe benefits tax purposes	Nil
<b>TOTAL</b>	

#### PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

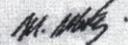
KMP and relatives of KMPs own retail businesses from which various supplies were purchased as required either for cash or on 30 day account. Purchases from none of these individual businesses exceeded \$x,xxx during the year.

**LEGATUS GROUP  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2017**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of The Legatus group for the year ended 30 June 2017, the Council's Auditor, Ian G McDonald has maintained his 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*.

  
.....  
Chief Executive Officer  
The Barossa Council

  
.....  
Chief Executive Officer  
Clare and Gilbert Valleys Council

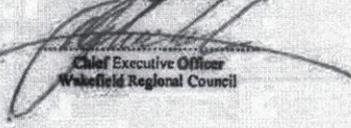
  
.....  
Chief Executive Officer  
The Flinders Ranges Council

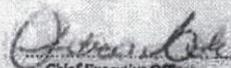
  
.....  
Chief Executive Officer  
Light Regional Council

  
.....  
Chief Executive Officer  
District Council of Mount Remarkable

  
.....  
Chief Executive Officer  
Port Lincoln Regional Council

  
.....  
Chief Executive Officer  
Yorke Peninsula Council

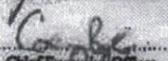
  
.....  
Chief Executive Officer  
Wakefield Regional Council

  
.....  
Chief Executive Officer  
District Council of Kangaroo Island

  
.....  
Chief Executive Officer  
District Council of the Copper Coast

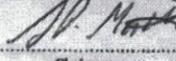
  
.....  
Chief Executive Officer  
Regional Council of Goyder

  
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Chief Executive Officer  
Adelaide Plains Council

  
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Chief Executive Officer  
Northern Areas Council

  
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Chief Executive Officer  
District Council of Ororooc-Carrieton

  
.....  
Chief Executive Officer  
District Council of Peterborough

  
.....  
Chairman  
Legatus Group  
Board of Management

Date:

Ian G McDonald FCA



Legatus Group  
Independent Auditor's Report

We have audited the attached financial statements, being a general purpose financial report, of Legatus Group, for the year ended 30 June 2017.

**Opinion**

In our opinion, the financial statements of the Authority are properly drawn up:

- a) to present fairly the financial position of the Authority as at the 30 June 2017 and the results of its operations for the period then ended, and;
- b) according to Australian Accounting Standards.

**Basis for Opinion**

For the audit of the Authority we have maintained our independence in accordance with the relevant ethical requirements of APES 110 Section 290. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information – Basis of Accounting and Restriction on Distribution**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the authority to meet the requirements of Local Government Act 1999 together with the Local Government (Financial Management Regulations 2011). As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members.

**Responsibilities of Management for the Financial Report**

The Board of Management is responsible for the preparation of the financial report in accordance with Local Government Act 1999 together with the Local Government (Financial Management Regulations 2011 and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

Ian G McDonald FCA  
Registered Company Auditor

Dated at Grange this 4th day of September 2017

[www.creativeauditing.com.au](http://www.creativeauditing.com.au)

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# Ian G McDonald FCA



4 September 2017

Mayor Peter Matthey  
Chairperson  
Legatus Group  
PO Box 168  
Crystal Brook SA 5523

Dear Mayor Matthey,

Please be advised that we have now completed the external financial audit of the Legatus Group for the financial year ended 30 June 2017.

The audit opinion has been signed without qualification.

## 1. Report on Matters Arising from the Audit

There is no matter that requires a report to the Minister.

We are satisfied with the action taken in relation to our audit communication during the year.

The Auditor's Independence Declaration has been provided to the Chief Executive Officer.

## 2. Adequacy of the Internal Control Environment

In our opinion the Subsidiary's internal control environment is adequate. A review of the internal control framework documentation should be undertaken annually.

Please do not hesitate to contact us if further information is required.

Yours sincerely,

A handwritten signature in cursive script that reads 'Ian McDonald'.

Ian McDonald

CC: Simon Millcock

Ian 0419 620 906  
[ianmcdonald@creativeauditing.org](mailto:ianmcdonald@creativeauditing.org)

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Ian G McDonald FCA  
Registered Company Auditor

Dated at Grange this 4th day of September 2017

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