

Annual Report 2021-2022

Naracoorte Lucindale Council



Naracoorte Lucindale Council
Better by Nature

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CEO Report

It has been another busy and productive year at Naracoorte Lucindale Council, marked by new projects, new community initiatives and planning for a positive future for the community.

Council delivered the \$2.38M Naracoorte Library Redevelopment with the official opening held in February 2022. This space has transformed the way we offer programs and services for the community, with a variety of rooms and spaces offering something for everyone.

Our \$3.2M capital road program was completed with a mix of re-sheeting, reseals and design works. A further \$181,000 was spent on stormwater upgrades, and close to 1km of new footpaths were established.

Masterplan projects continued and Council installed new facilities at Centenary Park, Lucindale which includes basketball courts, picnic settings, water fountains and a new skate park. There was continued progress on the Frances Town Centre Masterplan with completion of the Frances Town Square which has provided a new focal point for locals and visitors to the township.

Council undertook actions from the Disability Access and Inclusion Plan and installed an all-access ramp at the sound shell at the Town

Square and upgraded street furniture throughout the district to disability friendly pieces.

The Naracoorte Caves Trail was finally realised and this 16km trail now links Naracoorte to the Caves and provides an important tourism and recreational asset for our district.

Despite the ever changing Covid-19 restrictions, Council provided a diverse range of events for the community including Harmony Day, Multi-Cultural Soccer Carnival, Naracoorte Fringe, Remembrance Day and the Mega Fest Trail running event. These events bought in a much-needed injection of funds into the local economy.

Council continued its partnerships with Wellbeing SA and Country Arts SA and delivered a broad range of community initiatives including a new mural, sculptures, community art projects, running and walking groups just to name a few.

Development approvals were up from the previous year, with 186 developments valued at \$30.25M approved throughout the year. Nine new land divisions were also approved for development.

The NRLE had another outstanding year \$89M worth of sheep and \$193M worth of cattle sales through the facility. Council continued to invest in upgrades and new projects such as the cattle selling sprinkler project and upgrades to the main line pipework from the pump shed to the yards as well as upgrades from the effluent lagoons to the irrigator.

With ongoing investment and maintenance, the NRLE is considered a premium livestock selling facility and contributes a significant output to the local and regional economy.

With pleasure I present to you the Naracoorte Lucindale Council Annual Report 2021-2022.



A handwritten signature in black ink, appearing to read 'T. Smart', written over a white background.

Trevor Smart

Chief Executive Officer

Council Profile

Naracoorte Lucindale Council is located at the heart of the Limestone Coast region, approximately 330 kilometres from Adelaide and 450 kilometres from Melbourne and encompasses an area of approximately 452,052 hectares.

Naracoorte is the main service centre for the Council district, which also contains the smaller communities of Lucindale, Hynam, Kybybolite and Frances.

The Council area contains prime agriculture land characterised by reliable rainfall and accessible underground water. The Council area is home to a thriving and vibrant rural economy and is central to some of Australia's most famous wine producing areas.

There is a strong tourism industry and we are home to the World Heritage listed Naracoorte Caves, located 10 minutes' drive south of the Naracoorte Township. Other attractions in the area include the Sheep's Back Museum, MiniJumbuk, Bool Lagoon, the Naracoorte Swimming Lake, Naracoorte Regional Art Gallery and the SA Volunteer Fire Fighters Museum.



\$ \$564M Gross Regional Product

🔄 \$1.32B Total Output

Top 3 Industries by Output

🐮 \$411M Agriculture, Forestry & Fishing

🏭 \$126M Manufacturing

👷 \$112M Construction

Value Add by Industry

🐮 \$194M Agriculture, Forestry & Fishing

🏭 \$33M Manufacturing

👷 \$31M Construction

👥 1,302 Local Businesses

🌐 \$434M Total Exports

Strategic Management Plan 2016-2026

The Council's Strategic Plan 2016 – 2026 is the key document guiding the direction of Council. It is structured so that Council's decision making can be informed by the outcomes and actions set in the Strategic Plan. The Strategic Plan enables Council to seek widespread feedback from the community on the direction for our district. It is an opportunity to take stock of the achievements of the past years, as well as consider the changes that will drive Council business in the future.

1. PROSPEROUS COMMUNITY	2. HEALTHY LANDSCAPES	3. HARMONY & CULTURE	4. LIVEABLE NEIGHBOURHOODS
<p>A sought-after visitor destination</p> <p>A vibrant and progressive business centre and townships</p> <p>Diverse range of thriving primary industries</p>	<p>Contribute to sustainable land management practices</p> <p>Water resources and ecosystems are protected and restored</p>	<p>An inclusive community</p> <p>A creative and artistic community</p> <p>A learning community</p> <p>A healthy and resilient community</p>	<p>A well-planned district that meets the current and future needs of the community</p> <p>A safe and integrated transport network</p> <p>Preserve the built heritage and character of the district</p>
5. PROGRESSIVE LEADERSHIP			
<ul style="list-style-type: none"> ➤ Progressive and representative Elected Member leadership ➤ Organisational excellence ➤ Sustainable community finances and assets ➤ Effective delivery of projects and services ➤ Effective community communication and engagement ➤ Engage external stakeholders to leverage local opportunities ➤ Council is a preferred employer 			
			

Our Vision

OUR VISION

By 2026 NLC will be.....

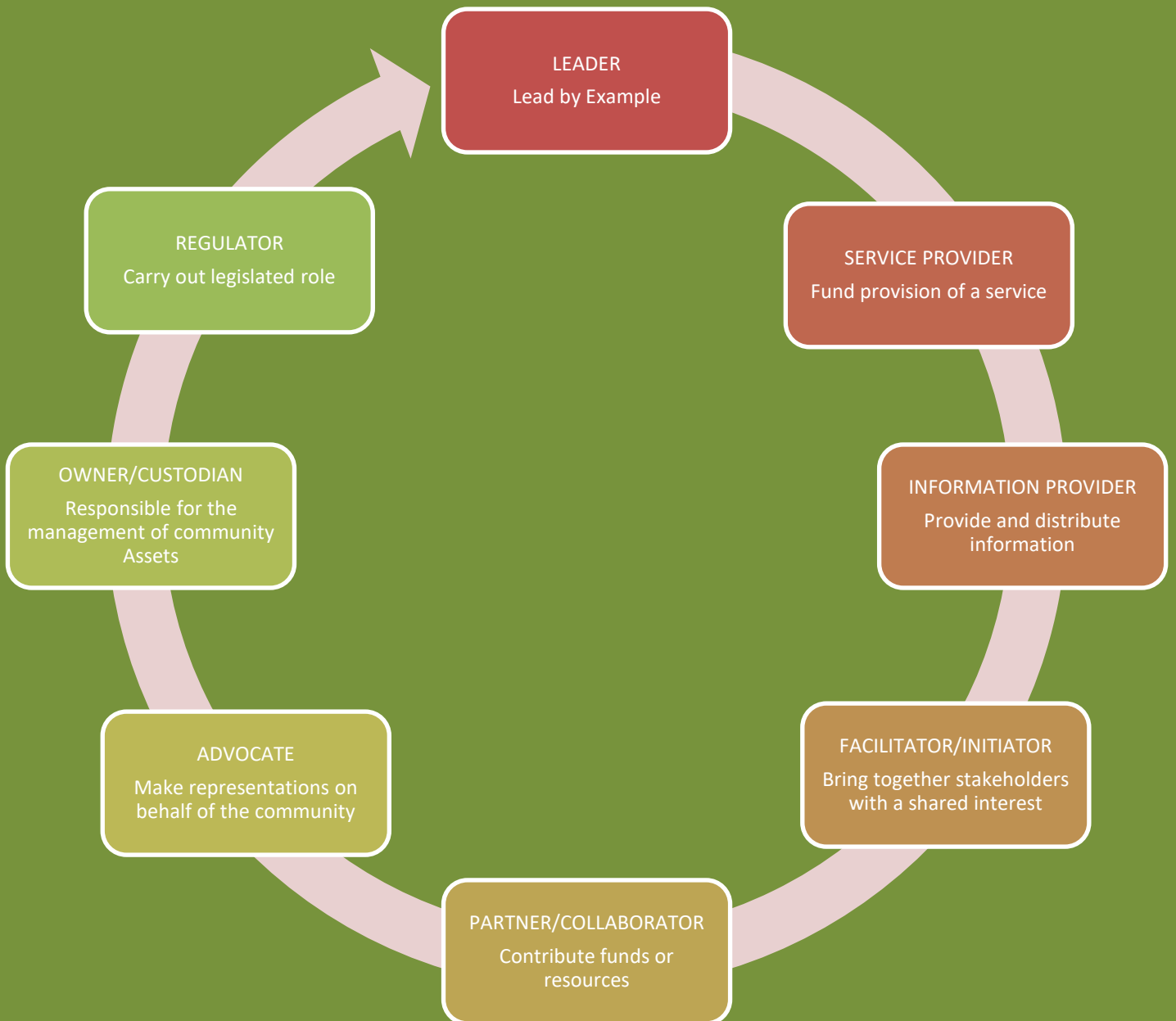
The best place in regional South Australia to live, work, do business, raise a family and retire.

KNOWN FOR

Progressive Leadership with strong community connections, efficiently managing our shared assets, services and natural resources.

OUR TAGLINE

Better by Nature





Governance & Finance

Governance & Finance

COUNCIL DECISION MAKING STRUCTURE

Council comprises a Mayor and 10 Councillors. Council meetings are held in the Council Chambers at DeGaris Place Naracoorte, on the third Tuesday of each month at 5.00pm. Meetings are open to the public and Council encourages attendance.

Council Committees are formed under Section 41 of the *Local Government Act 1999* and are created to assist in the performance of Council's functions.

ELECTOR REPRESENTATION REVIEW

Every 8 years, in accordance with Section 12 of the *Local Government Act 1999*, Council is required to review the composition of the Council.

A review was commenced in October 2016 and completed in September 2017. There were no changes to Council's representation structure.

The next representation review will commence during 2023-2024.

When Council conducts a representation review, community consultation is undertaken. Under Section 28 of the *Local Government Act 1999*, electors may also submit a proposal to the SA Local Government Grants Commission to alter Council boundaries or the composition of Council or its representative structure.

The table shows a comparison of the elected representation quota for Naracoorte Lucindale Council compared with similar size and type of Councils in South Australia for the year 2021-2022.

Councils	Electors	Total Members	Representation Quota
Renmark Paringa	6,937	9	770
Mid Murray	6,880	10	688
Adelaide Plains	6,878	10	687
Clare and Gilbert Valleys	6,862	10	686
Grant	5,647	10	564
Naracoorte Lucindale	6,035	11	548
Wakefield	5,015	10	501
Tatiara	4,566	10	456
Coorong	3,900	9	433
Northern Areas	3,509	9	389

Governance & Finance

COUNCIL COMMITTEES

Audit Committee

As part of its commitment to good governance, Council has in place an Audit Committee which acts as an independent advisory committee to Council. recommendations to Council. The main functions of the Committee include:

- Reviewing annual financial statements to ensure that they present and fairly state the affairs of Council
- Proposing and providing information relevant to, a review of Council's Strategic Management Plans
- Liaise with Council's auditors in regards to Council's financial affairs and the management of audits
- Review the adequacy of Council's accounting, internal control, reporting and other financial management systems and practices of Council on a regular basis

Audit Committee will review other internal systems like risk management, compliance and whistle-blowing and oversee audits both internally and externally of Council. During 2021-2022, the committee met six times.

Members of the Audit committee:

- Independent Member (Presiding Member) – Mr Jim Ker
- Independent Member – Ms Sonia Winter
- Cr Julie Earl
- Cr Cameron Grundy
- Cr Damien Ross

Strategic Asset and Planning Committee

The Strategic Asset and Planning Committee provides advice and recommendations to Council that align to outcomes in Council's Strategic Plan, including:

- The extent to which Council's strategic planning and development policies accord with the Planning Development and Infrastructure Act, and consideration of any amendments to the Planning Codes and Guidelines as they may impact on Council's district
- Development and review of Council's Asset Management Plans
- Assessment and advice on Council's expenditure programs for annual budget purposes
- Overview of Council's Open Space and community projects and strategies

All Elected Members are members of the Committee. During 2021-2022, the committee met six times.

CEO Recruitment, Performance Review and Remuneration Committee

The purpose of the CEO Committee is to ensure that sound principles of human resource management are applied to the employment of the Chief Executive Officer.

The Committee comprises the following members:

- Mayor Vickery
- Cr Tom Dennis (Presiding Member)
- Cr Damien Ross

During 2021-2022 the Committee met three times.

Governance & Finance

Naracoorte Regional Livestock Exchange Board

The purpose of this board is to:

- To oversees the development, construction and general operations of the Naracoorte Regional Livestock Exchange
- To monitors the financial performance of the Naracoorte Regional Livestock Exchange

The Board comprises the following members:

- Community Representative – Mr Ian O’Loan
- Community Representative – Mr Jonathan England
- Cr Cameron Grundy (Presiding Member)
- Cr Scott McLachlan
- Cr Ken Schultz
- Cr Derek James

Community Representatives are selected for their business acumen and working knowledge of the livestock industry.

During 2021-2022, the Board met five times.

This Assessment Panel has been established under the *Planning, Development and Infrastructure Act 2016 (PID)*, the *Planning, Development and Infrastructure (General) Regulations 2017* and the Planning and Design Code in regional South Australia.

A Memorandum of Understanding (MOU) was entered into by Kingston District Council, Naracoorte Lucindale Council and Tatiara District Council on the 20 August 2020.

Northern Limestone Coast Regional Assessment Panel (RAP)

The Committee comprises the following members:

- Independent Member (Presiding Chair) – Mrs Iris Iwanicki
- Independent Member – Mr Mark Teakle
- Independent Member – Mr Paul Johnson
- Cr Jeff Pope (Kingston District Council)
- Independent Member (Former Presiding Chair) – Mr Bill Hender (resigned October 2021)
- Independent Member – Mrs Liz Travers (resigned January 2022)

During 2021-2022, the Panel did not meet.

Governance & Finance

Elected Members

Naracoorte Lucindale Council has 11 Elected Members, comprising the Mayor and 10 Councillors.

The Mayor is elected by voters in the Council area. The Mayor presides over all Council meetings and is the official spokesperson for Council.

All Council members have been elected by the community to represent their interests. The Elected Members shape the strategic directions and policies for Council as a whole.



Mayor Erika Vickery OAM



Cr Craig McGuire
Deputy Mayor



Councillor
Monique Crossling



Councillor
Tom Dennis



Councillor
Julie Earl



Councillor
Cameron Grundy



Councillor
Derek James



Councillor
Scott McLachlan



Councillor
Trevor Rayner



Councillor
Damien Ross



Councillor
Ken Shultz

Governance & Finance

ELECTED MEMBER MEETING ATTENDANCE

Elected Member	Council Meetings	Audit Committee	NRLE Board	Strategic Asset & Planning Committee	CEO Committee	Total Meetings attended by Elected Members
Mayor Vickery OAM	14			4	3	21
Cr Crossling	12			6		18
Cr Dennis	14			3	1	18
Cr Earl	15	6		6		27
Cr Grundy	14	4	6	6		30
Cr James	13		4	5		22
Cr McGuire	13			5		18
Cr McLachlan	10		6	4		20
Cr Rayner	12			5		17
Cr Ross	12	5		6	3	26
Cr Shultz	14		6	5		25

ELECTED MEMBER TRAINING

In accordance with the requirements of section 80A of the *Local Government Act 1999* and section 8AA of the *Local Government (General) Regulations 2013* Council has developed a comprehensive training and development program for Elected Members.

This program includes:

- Elected Members that are new to Council must undertake and complete all modules in the Local Governments Associations Training Standards in their first year of election to office
- If an Elected Member is re-elected then they are encouraged to complete all modules in the Local Governments Associations Training Standards in their first year of re-election to office
- Elected Members are to participate in an Induction Program within the first few months following Council elections.

This training program includes the following components:

- Introduction to Local Government – Roles and functions of Elected Members
- Legal Responsibilities
- Council and Committee meetings including meeting procedures
- Financial Management and Reporting
- Council's Strategic Plan and supporting documents such as the Annual Business Plan, Budget, Long Term Financial Plan and Asset Management Plans
- Governance
- Risk Management
- Work Health and Safety
- Conflict of Interest
- Code of Conduct

Additionally, Council has adopted an Elected Members Training and Development Policy.

Governance & Finance

ANNUAL ALLOWANCES

Under Section 76 of the *Local Government Act* an Elected Member is entitled to an Annual Allowance which is set independently by the Remuneration Tribunal.

The allowance effective from November 2021 was:

Mayor	\$59,728
Deputy Mayor	\$18,665
Presiding Member	\$18,665
Elected Member	\$14,932

Northern Limestone Coast Regional Assessment Panel

- Presiding Member
\$290 per Meeting
- Independent Member
\$230 per Meeting

Additionally, travel costs will also be paid at 0.66 cents per km if required.

Audit Committee

- Presiding Member
\$290 per Meeting
- Independent Member
\$230 per Meeting

Naracoorte Regional Livestock Exchange Board

- Presiding Member
\$290 per Meeting
- Independent Members
\$230 per Meeting

Additional Support

Elected Members are also entitled to receive reimbursement for travel within the area of Council and dependent care expenses associated with attendance at Council and Committee meetings:

- 30 to 50 kms from Council's principal office \$441
- 50 to 100 kms from Council's principal office \$752
- 75 kms from Council's principal office \$1,129
- 100 kms from Council's principle office \$1,601

Governance & Finance

The following support is also provided to Elected Members to assist them in the performance of their official duties.

Mayor

- Fully maintained Council vehicle for travel related to official duties, with no private use.
- Council owned and maintained computer
- Council owned mobile phone
- Reimbursement of expenses relating to functions attended
- Reimbursement of internet access (up to \$150 per quarter)

Elected Members

- Council owned and maintained computer
- Reimbursement of expenses relating to functions attended
- Reimbursement of approved childcare expenses while representing Council
- Reimbursement of travel expenses
- Reimbursement of internet access (up to \$150 per quarter)

CONFIDENTIALITY PROVISIONS

Council and Council committees may from time to time discuss an item of business in confidence and as a result exclude the public from attending the meeting for the period taken to discuss the relevant item. The *Local Government Act 1999*, Section 90(3) (a) to (n) sets out the criteria for when this may occur.

Following is a summary of the number of occasions the provisions listed in Section 90 (excluding the public during debate) or Section 91 (documents to be kept confidential for a period of time) were used during 2021-2022 and orders from previous years that remain operative at 30 June 2022.

- 35 orders to move into confidence were made in 2021-2022, of these 28 orders were made to retain reports, minutes and other documents in confidence
- 7 orders from prior years were released from confidence
- 19 orders remained operative at the end of the financial year (not including orders made before 15 November 2010)

Governance & Finance

Date	Topic 2021-2022	Criteria for Confidential Order	Held in Confidence as at 30-6-22
6/07/2021	Tender - Naracoorte Library Development, and Naracoorte Library & Town Hall Branding	k	Released
27/07/2021	Contract 202122-01: Rubble Raising and Crushing	k	Released
27/07/2021	Contract 202122-05: Bitumen Works	k	Released
27/07/2021	Business Innovation Grants 2020-21	d	Released
27/07/2021	Energy Savings Dispute	h	Held
24/08/2021	Naracoorte Primary School - Moore Street/Park Terrace Grant Funding	k	Released
24/08/2021	Naracoorte Primary School - Moore Street/Park Terrace Grant Funding	k	Released
24/08/2021	Contract 202122-03 Roadside Slashing & Mowing Services	k	Released
24/08/2021	Open Space Grant Program	d	Released
24/08/2021	Open Space Grant Program	d	Released
24/08/2021	Business Innovation Grants 2020-21	d	Released
24/08/2021	Confidential Minutes of the Strategic and Asset Planning Committee 10 August 2021	k	Held
24/08/2021	Confidential Minutes of the Strategic and Asset Planning Committee 10 August 2021	k	Held
24/08/2021	Footpath Upgrade Requests	k	Released
24/08/2021	Footpath Upgrade Requests	k	Released
28/09/2021	CEO Confidential Report – Public Lighting Dispute	h	Held
28/09/2021	Contract 202122-15: Park Terrace Footbridge, Naracoorte	k	Released
28/09/2021	202122 Tenders 09-14: Design Multiple Projects (Combined)	k	Released
28/09/2021	Contract 202122-04: Weed Spraying Services	k	Released
28/09/2021	Contract 202122-16: Stormwater Upgrade – Foster Street, Naracoorte	k	Released
26/10/2021	Naracoorte Town Centre Rejuvenation Plan Working Group	a	Released
26/10/2021	Confidential Minutes of the Strategic Asset Planning Committee 12 October 2021	d	Held
26/10/2021	Confidential Minutes of the Strategic Asset Planning Committee 12 October 2021	d	Held
26/10/2021	Sale of Land: 27 Parkside Court, Naracoorte	d	Released
26/10/2021	Contract 202122-17 Road Reconstruction – Park Terrace and Moore Street	k	Released
23/11/2021	Contract 202122-19: 59 – 77 Smith Street Footpath Upgrade, Naracoorte	k	Released
23/11/2021	Naracoorte Regional Sports Centre Project	k	Held
25/01/2022	SANTOS Tour Down Under 2023	d	Held
22/02/2022	Kerbside Waste Diversion	d	Held
26/04/2022	Cleaning Contract 202122-08 - Public Amenities	k	Held
26/04/2022	CEO - 2022 Annual Performance Management Review	a	Held
24/05/2022	Joint Councils Housing Project	d	Held
24/05/2022	CEO - 2022 Performance Review Report	a	Held
28/06/2022	Cleaning Contract 2022223-02 - Municipal Buildings	k	Held
28/06/2022	Road Closure and Sale - Road Reserve	b	Held

Governance & Finance

Date	Topic 2020-21	Criteria for Confidential Order	Held in Confidence
27/10/2020	NRLE Minutes Item 9.1	k	Released
27/10/2020	S & P Committee Minutes Item 11.1 – Quarry at Mossdale	i	Released
27/10/2022	Foster Street drainage, Naracoorte	b	Released
15/12/2020	Foster Street drainage, Naracoorte	b	Released
15/12/2020	Sports Centre Project	k	Held
23/02/2021	Old Caves Road, Naracoorte - Footpath Infill	b	Released
11/03/2021	Naracoorte Library Project	k	Released
23/03/2021	Minutes Special Council Meeting 11 March 2021 - Naracoorte Library Project	k	Released
27/04/2021	Minutes Strategic Asset Planning Committee 13 April 2021 - Naracoorte North Parklands	b	Held

Date	Pre-2020-21	Grounds for Confidential Order	Held in Confidence
5/02/2019	Energy Audit	b	Held
26/02/2019	Naracoorte Regional Livestock Exchange Management Board – Confidential Item	b	Held

AWARDS, GRANTS & FUNDING

Each year Council receives an annual general-purpose grant from the State Government Grants Commission. In 2021-2022, \$2.759M was received in general purpose grants which is expended at Council's discretion and \$0.549M in road funding.

Council also applies to the State and Federal Government for additional funding to support its planned projects. These are competitive grant rounds and are tied to particular projects.

Successful grant applications allow Council to maintain a high level of services, facilities and amenity across our district while ensuring sustainable finances.

Grant Funds 2021-2022	
Library – Grant – Maintenance (Lucindale)	\$1,101
Library – Grant – Maintenance (Naracoorte)	\$26,563
Library – Grant – Materials	\$24,077
Community Wellbeing Program	\$123,347
Country Arts SA	\$90,833
Roads to Recovery	\$491,623
Australia Day Grant	\$20,000
National Sports Foundation	\$10,000
Cycling Grant (Department Infrastructure Transport)	\$200,000
Naracoorte Aerodrome (Department Infrastructure Transport)	\$36,000
Local Regional Community Infrastructure Program (LRCIP)	\$533,169
Special Local Roads Program	\$240,687
TOTAL	\$1,797,400

Governance & Finance

TENDERS, CONTACTS & PROCUREMENT

Council is required to develop and maintain procurement policies, practices and procedures. Council's procurement policy is directed towards:

- Obtaining value in the expenditure of public money
- Providing for ethical and fair treatment of participants
- Ensuring probity, accountability and transparency in procurement operations

Policies in regards to contracts and tenders provide guidelines on:

- The contracting out of services
- Competitive tendering and the use of other measures to ensure that services are delivered cost effectively
- The use of local goods and services
- The sale or disposal of land or other assets



Governance & Finance

INTERNAL REVIEW OF COUNCIL DECISIONS

As required by the *Local Government Act 1999*, Council has a Grievance/Review of Decisions procedure, outlining how decisions of Council or other people acting on behalf of Council are reviewed. There were no applications for review of decisions during 2021-2022.

COMMUNITY LAND

Council has 48 Community Land Management Plans relating to community land such as sporting and recreation areas, parklands, cemeteries, reserves and forestry plantations.

FREEDOM OF INFORMATION

A Freedom of Information Statement is published annually in accordance with the requirements of the Freedom of Information Act 1991. Two Freedom of Information applications were received during 2021-2022.

There were no applications brought forward from the previous year and there were no unfinished applications at 30 June 2022. Inquiries or requests for information under the Act should be forwarded to: Freedom of Information Officer Naracoorte Lucindale Council PO Box 555, Naracoorte, SA 5271.

The Freedom of Information Statement is available on Council's website.

REGISTERS, CODES AND PRACTICES

Council is required to keep and maintain the following registers in accordance with the *Local Government Act 1999*.

Registers

- Members Register of Interests
- Members Register of Allowances and Benefits
- Officers Register of Remuneration, Salaries and Benefits
- Officers Register of Interests
- Fees and Charges
- Community Land Management Agreements
- Public Roads
- By-Laws
- Building Upgrade Agreements
- Election Campaign Donation Returns
- Register of Interests (Regional Assessment Panel Members)
- Elected Members Disclosure of Conflict of Interests
- Land management agreements
- Confidential Orders
- Gifts and Benefits
- Council Resolutions

Codes

- Elected Members Code of Conduct
- Code of Practice for Access

to Council Meetings and Associated Documents

- Employee Behaviour Standards
- Code of Practice for Meetings of Council and Council Committees

Policies

The following are mandatory policies that are required by the *Local Government Act 1999*.

- Caretaker Policy
- Procurement Policy
- Public Interest Disclosure Policy
- Customer Service and Complaints Handling Policy
- Road and Place Naming Policy
- Elected Members Allowances and Support Policy
- Order Making Policy
- Public Consultation and Community Engagement Policy
- Child Safe Environment Policy
- Internal Controls Policy

Governance & Finance

COMMUNITY CONSULTATION

Council's Public Consultation and Community Engagement policy sets out how Council will engage with the community in its decision-making processes. During 2021-22 Council sought comment from the community on the following:

Pioneer Park Masterplan Development
2022-2023 Draft Annual Business Plan & Budget
Naracoorte North Parklands Consultation
Proposed Exclusion of Classification of Land as Community Land (Janz Street)
Naracoorte Swimming Lake Masterplan
Draft Naracoorte Lucindale Wellbeing Plan
Little Corella Management Program
Feedback sought on Blackford-Avenue Range-Lucindale fire response
Did you step it up for the Step It Up Challenge?

GIFTS AND BENEFITS

Regulation 35 (2) states that Council must provide a summary of the details (including costs) of any gifts received by Elected Members of employees above the value of \$50. The following gift was received during 2021-22.

	Description of Gift	Value of Gift	Date Received
Elected Members	NIL		
Employees	Hamper Basket	\$200.00	1 May 2022

CREDIT CARDS

A combined figure of \$41,480.42 was expended through Council Credit Cards for both elected members and employees of the Council during the 2021-2022 year.

LEGAL COSTS

As prescribed by Section 131(1a) of the *Local Government Act* Council can report legal costs incurred to the value of \$27,068.12 for the financial year.

INTERSTATE TRAVEL FOR ELECTED MEMBERS AND STAFF

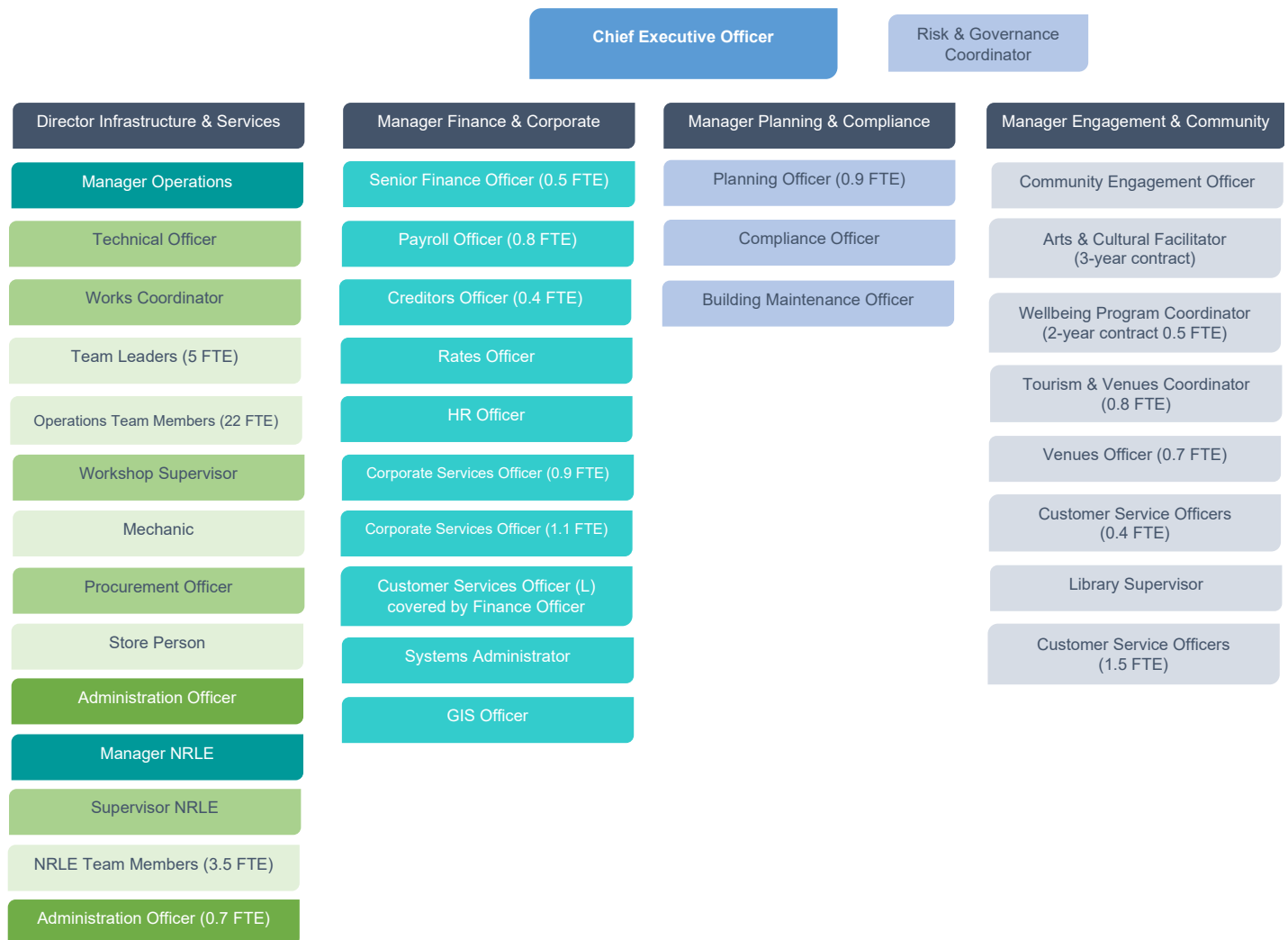
As described under Schedule 4, Clause A of the *Local Government Act*, Council must provide a summary of the details of any interstate or international travel undertaken by members or employees of the Council during the relevant financial year funded in whole or in part by the council. During the 2021-2022 \$3,324.64 was expended for Mayor Vickery OAM to attend the 2022 Australian Local Government Association National General Assembly in Canberra.



OUR ORGANISATION

Our Organisation

At 30 June 2022, Council had 61.42 full time equivalent positions, employing 69 people across the organisation. Key roles comprise the CEO, planning, compliance, building surveying, community services, parks and gardens, asset construction and maintenance, communications, corporate services, finance, human resources, tourism, arts and culture, recreation, libraries, engineering and asset management, procurement and operations at the Naracoorte Regional Livestock Exchange.



EXECUTIVE MANAGEMENT SALARIES

Salary packages for senior executive officers include salaries in a band of \$103,706 - \$184,709.

Chief Executive Officer	\$184,709	Unrestricted private use of vehicle and mobile phone
Director Infrastructure & Services	\$149,785	Unrestricted private use of vehicle and mobile phone allowance
Manager Finance & Corporate	\$111,000	Restricted private use of vehicle and mobile phone allowance
Manager Operations	\$111,000	Restricted private use of vehicle and mobile phone allowance
Manager Engagement & Community	\$114,663	Restricted private use of vehicle and mobile phone allowance
Manager Planning & Compliance	\$114,449	Restricted private use of vehicle and mobile phone allowance



8,686 Population



4.8% Population increase since 2016



63.5% Participation in labour force (aged 15+ years)



2.4 Average people per household



10.3% Language used at home other than English



21.9% Labourers top occupation



\$780 Median weekly income



26.2% Couples with children



18.8% Parents & Homebuilders



22.7% Born overseas



PROSPEROUS COMMUNITIES

Prosperous Communities

Facilitating and supporting sustainable growth to achieve economic prosperity.

Planned Projects 2021-22	Comment	Completed
NLBTA – contribution to TV commercial promoting the district	Did not progress due to Covid-19 restrictions placed on travel.	No
Caves Connection Project	Completion of the Naracoorte Caves trail	Yes
Continue implementation of Wayfinding Project – directional signage (includes signage for the Old Caves Road route to the Naracoorte Caves)	New wayfinding signage installed at the Old Caves Road intersection and Promotional banners installed on Naracoorte’s Northern & Western Entrances.	Yes
Introduction of Augmented Reality App	Did not progress	No
Continue upgrade of the Naracoorte Regional Livestock Exchange	<ul style="list-style-type: none"> • Cattle yards dust suppression sprinkler system installation to improve user comfort • Weighbridge gate modification to improve stock handling efficiencies • Upgrade of Travelling Irrigator and Hydrants to improve EPA compliance • Upgrade of Cattle Scanning Equipment to improve stock handling efficiency 	All Completed
Encourage new ideas and ways of doing business by continuing the Business Innovation Grant	Undertook a review of the Business Innovation Grant Program	Yes
Lucindale Airstrip – contribution to upgrade (subject to grant funding)	No grant funding received	No
Improved town entrances with an avenue of trees along Stewart Terrace near the Sports Centre and installation of irrigation at the Deviation Road / Gordon Street intersection	Project deferred to 2022-2023	No

Priorities 2022-2023

NRLE – Truck Wash Settling Area Modification
NRLE – Cattle Yards Roof Extension
NRLE – Cattle D Yards Replacement
NRLE – Cattle Unloading Ramp Upgrade
Lighting Upgrade to MacDonnell Street Entry Sign
Boddingtons West Road Upgrade
Roberston Street Stage 4 Streetscape Upgrade
Binum-Benayeo Road Stage 1 Sealed Road Construction
Moyhall Road Unsealed Road Resheet





HEALTHY LANDSCAPES

Healthy Landscapes

Working together to protect and enhance our natural environment for the future.

Planned Projects 2021-22	Comments	Completed
Investigate options for improved innovative waste management	Naracoorte Lucindale Council are working with the Limestone Coast Local Government Association Waste Steering Committee	Ongoing
Implementation of the Naracoorte Creek & Creek Walk Plan – includes a hydrological assessment and construction of a weir at the Park Terrace bridge, interpretive signage at 55 Ormerod Street and along the creek walk, resealing of the north parklands path from the cemetery to the swimming lake, heritage signage in the rail lands and permanent signage for the Parkrun.	<ul style="list-style-type: none"> • Sealed path North Parklands • Interpretive Signage 55 Ormerod Street • Hydrological Assessment commenced (weir construction included in 21-22 budget). Additional flood monitoring has been undertaken for Landscape SA assessment 	Yes Yes No
Fire Mitigation	Undertook a fuel reduction burn for the North Parklands Stage 1 and maintained fire breaks. Issued 105f Notices where required throughout the district.	Yes
Gares Swamp Restoration	Annual maintenance and pest plant removal undertaken	Yes
Improved stormwater management for Foster Street, Naracoorte	Installation of new stormwater system	Yes

Priorities 2022-23

Naracoorte Creek Weir construction

Naracoorte Creek Walk signage

Frances Masterplan walking trail

North Parklands fuel reduction burn Stage 2

Lucindale town entrance statements





HARMONY & CULTURE

Harmony & Culture

A safe, healthy, and diverse community celebrating our similarities and differences

Planned Projects 2021-22	Comments	Completed
Community Art Program – Grant Program	Fossil sculpture installed at Memorial Parklands & composition and performance of a musical track to complement ‘Vaudeville’ production.	Ongoing annually
Naracoorte Library Development at new location 93 Smith Street, Naracoorte	Naracoorte Library redevelopment completed February 2022	Complete
Development of a natural burial ground at the Naracoorte cemetery and improvements to the historic section	Cemetery Working Group established to assist with developing plans for the beautification of the Cemetery, improved signage and future expansion.	Ongoing
Public Art Project	‘Welcome’ mural at rear of Naracoorte Town Hall and sculpture in front of Naracoorte Library	Complete
Contribution to upgrading the Naracoorte Netball & Tennis Courts	Contributed \$100,000 towards this project	Yes
Sponsorship provided to annual programs, community events, festivals and community facilities	<ul style="list-style-type: none"> • Lucindale Christmas Party • Continued support of Naracoorte Art Gallery • Naracoorte Horse Trials (3-day event) • South East Field Days • TASTE the Limestone Coast Festival 	Yes
Council events	<ul style="list-style-type: none"> • Fringe Festival • Harmony Day • Multicultural Soccer Carnival • Remembrance Day • ANZAC Day • Garage Sale Trail • MegaFest • Short Film & Photo Competition • Citizenship ceremonies 	Yes
Implementation of the Disability Access Plan – permanent access ramp to the Sound Shell	New all access ramp installed January 2022	Yes

Priorities 2022-23

Ongoing implementation of the Naracoorte Lucindale Wellbeing Program

Delivery of Country Arts SA programming and events

Updated Naracoorte Lucindale Visitor Information Guide

Continued delivery of Council events schedule





- Capital spend on roads \$3.21M
- 28.2km in road resheets
- 18.5km in road reseals



- Total development value \$30.25M
- 6,250 rateable properties
- 186 development approvals
- 33 dwellings approved
- 9 land divisions approved



Naracoorte Visitor Information Centre

- Total visitors 7,922
- Total enquiries 9,539



Naracoorte Town Hall

- Revenue \$48,701
- Attendance 13,580



Naracoorte Library

- Customers 35,572
- Items borrowed 62,814



LIVEABLE NEIGHBOURHOODS

Liveable Neighbourhoods

A range of well-planned neighbourhoods and public space, designed with a strong sense of identity and place.

Planned Projects 2021-22	Comments	Completed
Lucindale Masterplan Implementation - includes signage, detailed design for the footpaths / shared paths, vegetation guidelines and the CBD precinct and vegetation planting.	Staged implementation with wayfinding signage installed and design for new entrance statements completed.	Partial
Caves Trail Plan Implementation – includes signage, protection of Beekeeper Cave and establishment of the caves linear trail from Michael’s Road to Pitts Lane shelter.	<ul style="list-style-type: none"> Trail completed from Michael’s Road to Pitts Lane shelter Interpretative signage project commenced Beekeeper Cave project withdrawn 	Yes
Disability Inclusion Plan Implementation – concept for walkways at the Naracoorte Swimming Lake.	Masterplan for Naracoorte Swimming Lake to be development in 2021-22; project deferred until completion of this project	Partial
Frances Masterplan Implementation – includes artwork (red tailed black cockatoo), entrance statements, completion of the town centre focal point, marketing as an alternative route and promotion.	The new Town Square was completed and officially opened by the Federal Members for Barker Mr. Tony Pasin MP. Red Tailed Black Cockatoo Art Work Installed and new entrances statements completed at three intersections into the township.	Yes
Cockatoo Lake – replace shelter shed	Replaced in full with new colourbond iron.	Yes
Naracoorte Swimming Lake – development of Master Plan, painting of the lake walls and pontoon replacement	Masterplan development commenced, lake walls repainted and pontoon upgrade completed.	Partial
McTernan Park – upgrade aged infrastructure	Some playground equipment still to be installed due to international shipping delays.	Partial

Priorities 2022-23

Cedar Avenue and Schinkel Road Footpath construction

Market Square Playground Upgrade

Street Lighting to Strain Street and Kingston Avenue

Detailed design of improvements to Pioneer Park, Naracoorte

Detailed design of Naracoorte Town Centre Rejuvenation Plan

Upgrade of Naracoorte Swimming Lake changerooms





PROGRESSIVE LEADERSHIP

Progressive Leadership

A well led and managed district supported by a professional approach to managing infrastructure, and the delivery of projects and services to the community.

Planned Projects 2021-22	Comments	Completed
Cloud migration	Currently upgrading internet speed and capability before proceeding with cloud migration	No
Livestreaming of Council Meetings	Sourcing information regarding appropriate systems for implementation	Partial
Continued renewal & replacement of infrastructure (refer budget and major projects for full details) including:	<ul style="list-style-type: none"> • Sealed road construction • Footpath construction • Kerb & watertable • Unsealed road reconstruction • Reseals • Resheeting • Fleet, Plant & Machinery 	All completed
Continued renewal & replacement of buildings & structures including:	<ul style="list-style-type: none"> • Lucindale CBD Amenities – upgrade flooring, replace toilet and vanities. • Market Square Amenities – install privacy screen. • Memorial Oval Amenities – new amenities block • Naracoorte CBD Amenities – modify front entrance paving and CCTV installed. • Naracoorte Depot – solar power system installed • Lucindale Hall – upgrade switchboard, install emergency exit door, install rainwater tanks • Naracoorte Hall – replace carpet and kitchen tiles 	Yes Yes Yes Yes Yes Partial Partial

Priorities 2022-23

Implementation of new Asset Management System

Completion of livestreaming project for Council Meetings

Implementation of new Strategic Management Plan reporting system

Installation of solar panels on Naracoorte Council office.

Continued upgrades to Naracoorte Town Hall including replacing seating and carpet

New amenities at Naracoorte Cemetery



Appendix 1 Financial Statements



Naracoorte Lucindale Council
Better by Nature

Financial Statements

for Year Ending 30 June 2022



The Best place in regional South Australia to live, work, do business, raise a family and retire. Created by having a Prosperous Community with Healthy Landscapes, Liveable Neighbourhoods and a focus on Harmony and Culture.



Naracoorte Lucindale Council
General Purpose Financial Reports
for the year ended 30 June 2022

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**Naracoorte Lucindale Council
Annual Financial Statements
for the year ended 30 June 2022**


CERTIFICATION OF FINANCIAL STATEMENTS

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

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



.....
Trevor Smart
CHIEF EXECUTIVE OFFICER
Date: 23 November 2022



.....
Patrick Ross
MAYOR

Naracoorte Lucindale Council
Statement of Comprehensive Income
for the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
INCOME			
Rates	2	12,675	12,464
Statutory charges	2	330	369
User charges	2	2,203	2,333
Grants, subsidies and contributions	2	4,955	4,196
Investment income	2	55	77
Reimbursements	2	39	50
Other income	2	234	375
Total Income		20,491	19,864
EXPENSES			
Employee costs	3	5,107	5,079
Materials, contracts & other expenses	3	6,643	6,378
Depreciation, amortisation & impairment	3	5,921	5,785
Finance costs	3	57	94
Total Expenses		17,728	17,336
OPERATING SURPLUS / (DEFICIT)		2,763	2,528
Asset disposal & fair value adjustments	4	(1,009)	(1,273)
Amounts received specifically for new or upgraded assets	2	769	697
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		2,523	1,952
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	2,983	14,380
Total Other Comprehensive Income		2,983	14,380
TOTAL COMPREHENSIVE INCOME		5,506	16,332

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

Naracoorte Lucindale Council
Statement of Financial Position
as at 30 June 2022

ASSETS	Notes	2022	2021
		\$'000	\$'000
Current Assets			
Cash and cash equivalents	5	11,910	10,524
Trade & other receivables	5	1,062	893
Inventories	5	656	594
		<u>13,628</u>	<u>12,011</u>
Total Current Assets		<u>13,628</u>	<u>12,011</u>
Non-current Assets			
Financial assets	6	175	267
Infrastructure, property, plant & equipment	7	201,594	197,846
Other non-current assets	6	714	554
		<u>202,483</u>	<u>198,667</u>
Total Non-current Assets		<u>202,483</u>	<u>198,667</u>
Total Assets		<u>216,111</u>	<u>210,678</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	8	2,246	1,691
Borrowings	8	151	493
Provisions	8	826	1,048
		<u>3,223</u>	<u>3,232</u>
Total Current Liabilities		<u>3,223</u>	<u>3,232</u>
Non-current Liabilities			
Borrowings	8	773	924
Provisions	8	251	164
		<u>1,024</u>	<u>1,088</u>
Total Non-current Liabilities		<u>1,024</u>	<u>1,088</u>
Total Liabilities		<u>4,247</u>	<u>4,320</u>
NET ASSETS		<u>211,864</u>	<u>206,358</u>
EQUITY			
Accumulated Surplus		53,308	51,333
Asset Revaluation Reserves	9	155,218	152,235
Other Reserves	9	3,338	2,790
TOTAL EQUITY		<u>211,864</u>	<u>206,358</u>

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

Naracoorte Lucindale Council
Statement of Changes in Equity
for the year ended 30 June 2022

2022	Notes	Acc'd Surplus \$'000	Asset Rev'n Reserve \$'000	Other Reserves \$'000	TOTAL EQUITY \$'000
Balance at end of previous reporting period		51,333	152,235	2,790	206,358
Net Surplus / (Deficit) for Year		2,523	-	-	2,523
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment		-	2,983	-	2,983
Transfers between reserves		(548)	-	548	-
Balance at end of period	9	53,308	155,218	3,338	211,864

2021	Notes	Acc'd Surplus \$'000	Asset Rev'n Reserve \$'000	Other Reserves \$'000	TOTAL EQUITY \$'000
Balance at end of previous reporting period		49,603	137,855	2,568	190,026
Net Surplus / (Deficit) for Year		1,952	-	-	1,952
Other Comprehensive Income					
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	14,380	-	14,380
Transfers between reserves		(222)	-	222	-
Balance at end of period	9	51,333	152,235	2,790	206,358

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

Naracoorte Lucindale Council
Statement of Cash Flows
for the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
Rates - general & other		12,479	12,653
Fees & other charges		336	370
User charges		2,775	2,535
Investment receipts		15	79
Grants utilised for operating purposes		4,969	4,197
Reimbursements		60	43
Other revenues		1,217	1,083
<i>Payments:</i>			
Employee costs		(5,228)	(5,193)
Materials, contracts & other expenses		(7,868)	(7,371)
Finance payments		(70)	(103)
Net Cash provided by (or used in) Operating Activities		8,685	8,293
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		769	697
Sale of replaced assets		248	336
Repayments of loans by community groups		96	79
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(5,984)	(4,186)
Expenditure on new/upgraded assets		(2,264)	(1,390)
Net Cash provided by (or used in) Investing Activities		(7,135)	(4,464)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from aged care facility deposits		329	-
<i>Payments:</i>			
Repayments of borrowings		(449)	(449)
Repayment of principal portion of lease liabilities		(44)	(59)
Repayment of aged care facility deposits		-	(66)
Net Cash provided by (or used in) Financing Activities		(164)	(574)
Net Increase (Decrease) in cash held		1,386	3,255
Cash & cash equivalents at beginning of period	11	10,524	7,269
Cash & cash equivalents at end of period	11	11,910	10,524

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

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

Note 1 - Significant Accounting Policies

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the Local Government (Financial Management) Regulations 2011 dated 22 November 2022.

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).

1.5 Covid-19

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

Examples include; additional leave paid to employees due to short notice shutdowns and the delay on completion of projects due to cross border closures and delays associated with sourcing materials.

COVID-19 is not expected to have a significant financial impact on Council operations. The budget assumptions for 2022/23 assume a continued easing of restrictions put in place by the government. Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

2 The Local Government Reporting Entity

Naracoorte Lucindale Council is incorporated under the SA Local Government Act 1999 and has its principal place of business at DeGaris Place, Naracoorte. These consolidated financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

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

Note 1 - Significant Accounting Policies (cont)

3 Income recognition

3.1 Revenue

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

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

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

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

	Cash Payment Received	Annual Allocation		Difference
2019-20	\$3,063,349	\$3,438,421	+/-	- \$375,072
2020-21	\$3,435,913	\$3,229,581	+/-	+ \$206,332
2021-22	\$4,166,048	\$3,256,802	+/-	+ \$909,246

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

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

3.2 Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

For works undertaken on a fixed price contract basis, revenues are recognised over time using the input method, with costs incurred compared to total expected costs used as a measure of progress. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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

Note 1 - Significant Accounting Policies (cont)

4 Cash, Cash Equivalents and Other Financial Instruments

4.1 Cash, Cash Equivalent Assets

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

4.2 Other Financial Instruments

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 also form part of Note 13.

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

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

6.2 Materiality

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

6.3 Subsequent Recognition

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

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

Note 1 - Significant Accounting Policies (cont)

6.4 Depreciation of Non-Current Assets

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

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

Major depreciation periods for each class of asset are 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 extreme care should be used in interpreting financial information based on these estimates.

6.5 Impairment

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

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

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

6.6 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Borrowings

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

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates and is recorded as part of "Payables". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.

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

Note 1 - Significant Accounting Policies (cont)

9 Provisions

9.1 Employee Benefits

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

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

Weighted average discount rate 1.00% (2021, 0.26%)

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.

Superannuation:

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

9.2 Provisions for reinstatement, restoration, rehabilitation.

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

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

10 Leases

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

Council as a lessee:

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

i) Right-of-use assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset.

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

Note 1 - Significant Accounting Policies

Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- IT Equipment 3 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 6.5 - Impairment of non-financial assets above.

ii) Lease liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Council uses its incremental borrowing rate or the interest rate implicit in the lease.

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

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

11 GST Implications

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

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

12 New and amended standards and interpretations

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

Amendments to AASB 16 Covid-19 Related Rent Concessions:

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

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

Note 2 - INCOME

	Notes	2022 \$'000	2021 \$'000
RATES REVENUES			
<u>General Rates</u>		10,892	10,798
Less: Mandatory rebates		(150)	(152)
Less: Discretionary rebates, remissions & write offs		(30)	(36)
		10,712	10,610
<u>Other Rates (including service charges)</u>			
Landscape levy		658	647
Waste collection		1,154	1,061
Community wastewater management systems		99	98
		1,911	1,806
<u>Other Charges</u>			
Penalties for late payment		42	44
Legal & other costs recovered		11	17
		53	61
Less: Discretionary rebates, remissions & write offs		(1)	(13)
		12,675	12,464
STATUTORY CHARGES			
Development Act fees		106	120
Town planning fees		47	79
Health & Septic Tank Inspection fees		87	75
Animal registration fees & fines		62	63
Parking fines / expiation fees		1	2
Environment control fines		2	3
Other licences, fees, & fines		25	27
		330	369
USER CHARGES			
Cemetery Fees		80	89
Livestock Exchange Fees and Charges		1,888	1,819
Lease, Permits and Rental Income		98	98
Hall & Equipment Hire		39	16
Sales - General		88	301
Sundry		10	10
		2,203	2,333

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

Note 2 - INCOME (cont)

	Notes	2022 \$'000	2021 \$'000
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		47	49
Banks & other		1	19
Loans to community groups		7	9
		55	77
REIMBURSEMENTS			
Private works		7	10
Other		32	40
		39	50
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		158	204
Rebates received		56	52
Sundry		20	119
		234	375
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		769	697
Other grants, subsidies and contributions			
Untied - Financial Assistance Grant		4,166	3,436
Roads to Recovery		492	492
Library & Communications		53	56
Sundry		244	212
		4,955	4,196
		5,724	4,893
<i>The functions to which these grants relate are shown in Note 12.</i>			
Sources of grants			
Commonwealth government		1,055	847
State government		4,669	3,996
Other		-	50
		5,724	4,893

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

Note 3 - EXPENSE

	Notes	2022 \$'000	2021 \$'000
EMPLOYEE COSTS			
Salaries and Wages		4,137	4,161
Employee leave expense		808	882
Superannuation - defined contribution plan contributions	18	388	338
Superannuation - defined benefit plan contributions	18	71	91
Workers' Compensation Insurance		179	172
Other		81	80
Less: Capitalised and distributed costs		<u>(557)</u>	<u>(645)</u>
Total Operating Employee Costs		<u>5,107</u>	<u>5,079</u>
Total Number of Employees		58	64
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		26	22
Elected members' expenses		246	236
Election expenses		7	2
Lease Expenses - low value assets	17	<u>2</u>	<u>13</u>
Subtotal - Prescribed Expenses		<u>281</u>	<u>273</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		1,110	928
Energy		665	545
Waste Management		1,268	1,210
Street Cleaning		171	150
Insurance		157	271
Quarry - Rubble Raising & Associated Costs		613	514
Subscriptions & Licences		417	324
Maintenance		1,110	928
Legal Expenses		28	40
Levies paid to government - Regional Landscape Levy		641	652
- Other Levies		174	172
Parts, Accessories & Consumables		682	516
Professional Services		242	500
Sundry		653	530
Less: Capitalised and Distributed Costs		<u>(1,569)</u>	<u>(1,175)</u>
Subtotal - Other Materials, Contracts & Expenses		<u>6,362</u>	<u>6,105</u>
		<u>6,643</u>	<u>6,378</u>

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

Note 3 - EXPENSE (cont)

	Notes	2022 \$'000	2021 \$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures (L2)		65	65
Buildings & Other Structures (L3)		388	366
Transfer Station		30	30
Furniture and Fittings		102	79
Site Improvements		181	142
Minor Plant		12	14
Plant & Equipment		445	406
CWMS			
- Infrastructure		51	49
- Plant & Equipment		3	6
Regional Livestock Exchange			
- Building Structures		343	342
- Plant, Equipment & Furniture		35	43
Swimming Lake			
- Building Structures		64	63
- Plant, Equipment & Furniture		8	2
Aerodrome			
- Building Structures		102	98
- Site Improvements		3	3
Infrastructure			
- Bridges & Drainage		60	59
- Roads		3,415	3,402
- Walkways		147	135
- Kerb & Watertable		264	263
- Stormwater & Culverts		161	159
Right of Use Assets	17	42	59
		5,921	5,785
FINANCE COSTS			
Interest on Loans		56	91
Interest on Leases		1	3
		57	94

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

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2022	2021
Notes	\$'000	\$'000
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	248	336
Less: Carrying amount of assets sold	1,257	1,609
Gain (Loss) on disposal	(1,009)	(1,273)
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	(1,009)	(1,273)

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

Note 5 - CURRENT ASSETS

	Notes	2022 \$'000	2021 \$'000
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		513	148
Deposits at Call		8,887	7,061
Short Term Deposits & Bills, etc		2,510	3,315
		<u>11,910</u>	<u>10,524</u>
TRADE & OTHER RECEIVABLES			
Rates - General & Other		430	454
Accrued Revenues		41	62
Debtors - general		135	182
GST Recoupment		217	156
Prepayments		207	3
Loans to community organisations		32	36
		<u>1,062</u>	<u>893</u>
INVENTORIES			
Quarry Materials		547	504
Trading Stock - VIC		5	5
Fuel & Lubricants		62	34
General Stores		40	43
Other		2	8
		<u>656</u>	<u>594</u>

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

Note 6 - NON-CURRENT ASSETS

	Notes	2022 \$'000	2021 \$'000
FINANCIAL ASSETS			
Receivables			
Loans to community organisations		<u>175</u>	<u>267</u>
TOTAL FINANCIAL ASSETS		<u>175</u>	<u>267</u>
OTHER NON-CURRENT ASSETS			
Inventories			
Capital Works-in-Progress		<u>714</u>	<u>554</u>
		<u>714</u>	<u>554</u>

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

		2021 \$'000				2022 \$'000			
Fair Value Level		Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land (L2)	2	3,499	165	-	3,664	3,499	165	-	3,664
Land (L3)	3	9,337	-	-	9,337	9,328	-	-	9,328
Buildings & Other Structures (L2)	2	1,720	-	(130)	1,590	1,689	-	(164)	1,525
Buildings & Other Structures (L3)	3	20,924	937	(12,038)	9,823	20,808	3,507	(12,318)	11,997
Transfer Station		1,446	-	(376)	1,070	1,446	-	(406)	1,040
Furniture and Fittings		-	829	(480)	349	-	1,122	(578)	544
Site Improvements		-	4,449	(1,025)	3,424	-	5,321	(1,190)	4,131
Minor Plant		-	349	(284)	65	-	359	(282)	77
Plant & Equipment		-	7,884	(4,071)	3,813	-	8,166	(4,274)	3,892
CWMS									
- Infrastructure	3	3,683	-	(1,779)	1,904	3,683	-	(1,830)	1,853
- Plant & Equipment		-	89	(76)	13	-	89	(79)	10
Regional Livestock Exchange									
- Building Structures	3	8,947	1,905	(4,140)	6,712	8,947	1,988	(4,483)	6,452
- Plant, Equipment & Furniture		-	356	(241)	115	-	567	(224)	343
Swimming Lake									
- Building Structures	3	3,837	111	(2,497)	1,451	3,837	111	(2,561)	1,387
- Plant, Equipment & Furniture		-	60	(15)	45	-	60	(23)	37
Aerodrome									
- Building Structures	3	3,660	184	(1,844)	2,000	3,660	185	(1,947)	1,898
- Site Improvements		-	91	(32)	59	-	91	(35)	56

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

	Fair Value Level	2021 \$'000				2022 \$'000			
		Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Infrastructure									
- Bridges & Drainage	3	6,540	47	(3,070)	3,517	6,540	143	(3,131)	3,552
- Roads	3	165,074	2,324	(43,776)	123,622	168,226	2,810	(46,647)	124,389
- Walkways	3	4,984	770	(1,883)	3,871	4,953	1,122	(2,012)	4,063
- Kerb & Watertable	3	15,712	142	(5,520)	10,334	15,712	258	(5,785)	10,185
- Stormwater & Culverts	3	16,734	74	(5,786)	11,022	16,734	378	(5,945)	11,167
Right of Use Assets		-	160	(114)	46	-	160	(156)	4
Total IPP&E		266,097	20,926	(89,177)	197,846	269,062	26,602	(94,070)	201,594
Comparatives		254,998	31,037	(100,727)	185,308	266,097	20,926	(89,177)	197,846

This Note continues on the following pages.

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2021	Carrying Amounts Movement During the Year							2022	
	\$'000	\$'000							\$'000	
	Carrying Amount	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
	New / Upgrade	Renewals	In				Out			
Land (L2)	3,664	-	-	-	-	-	-	-	-	3,664
Land (L3)	9,337	-	-	(9)	-	-	-	-	-	9,328
Buildings & Other Structures (L2)	1,590	-	-	-	(65)	-	-	-	-	1,525
Buildings & Other Structures (L3)	9,823	272	2,298	(8)	(388)	-	-	-	-	11,997
Transfer Station	1,070	-	-	-	(30)	-	-	-	-	1,040
Furniture and Fittings	349	250	47	-	(102)	-	-	-	-	544
Site Improvements	3,424	947	11	(70)	(181)	-	-	-	-	4,131
Minor Plant	65	1	23	-	(12)	-	-	-	-	77
Plant & Equipment	3,813	3	602	(81)	(445)	-	-	-	-	3,892
CWMS										
- Infrastructure	1,904	-	-	-	(51)	-	-	-	-	1,853
- Plant & Equipment	13	-	-	-	(3)	-	-	-	-	10
Regional Livestock Exchange										
- Building Structures	6,712	41	42	-	(343)	-	-	-	-	6,452
- Plant, Equipment & Furniture	115	192	94	(23)	(35)	-	-	-	-	343
Swimming Lake										
- Building Structures	1,451	-	-	-	(64)	-	-	-	-	1,387
- Plant, Equipment & Furniture	45	-	-	-	(8)	-	-	-	-	37

Naracoorte Lucindale Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2021	Carrying Amounts Movement During the Year							2022	
	\$'000	\$'000							\$'000	
	Carrying Amount	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
	New / Upgrade	Renewals	In				Out			
Aerodrome										
- Building Structures	2,000	-	-	-	(102)	-	-	-	-	1,898
- Site Improvements	59	-	-	-	(3)	-	-	-	-	56
Infrastructure										
- Bridges & Drainage	3,517	95	-	-	(60)	-	-	-	-	3,552
- Roads	123,622	-	2,251	(1,052)	(3,415)	-	-	-	2,983	124,389
- Walkways	3,871	167	185	(13)	(147)	-	-	-	-	4,063
- Kerb & Watertable	10,334	90	25	-	(264)	-	-	-	-	10,185
- Stormwater & Culverts	11,022	222	85	(1)	(161)	-	-	-	-	11,167
Right of Use Assets	46	-	-	-	(42)	-	-	-	-	4
Total IPP&E	197,846	2,280	5,663	(1,257)	(5,921)	-	-	-	2,983	201,594
<i>Comparatives</i>	<i>185,308</i>	<i>1,409</i>	<i>4,143</i>	<i>(1,609)</i>	<i>(5,785)</i>	-	-	-	<i>14,380</i>	<i>197,846</i>

This note continues on the following pages.

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

Note 7 (cont) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

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.

The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

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

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

Note 7 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

During the course of the year, a parcel of land previously held for operational purposes was designated as community land under the Local Government Act 1993. The change in designation introduced a new, unobservable input, being the restrictive processes involved in the future disposal of the land and necessitated the transfer of its valuation from fair value hierarchy level 2 to level 3, and the adjustment of the valuation. The transfer took effect at the date of designation as community land.

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
Information Technology	500
Other Plant & Equipment	1,000
Buildings - new construction/extensions	10,000
Buildings - Fit-out or Services	1,000
Park & Playground Furniture & Equipment	2,500
Road construction & reconstruction	10,000
Paving & footpaths, Kerb & Gutter	10,000
Kerb & Watertable	5,000
Bridges & Culverts	5,000
Spoon Drains	2,500
Stormwater	10,000
Artworks	1,000

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

Plant, Furniture & Equipment	
Office Equipment - Computerised	2 to 10 years
Office Furniture & Equipment	5 to 15 years
Vehicles and Road-making Equip	5 to 15 years
Other Plant & Equipment	3 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 80 years
Memorials	40 to 100 years
Park Structures – other construction	30 years
Playground equipment	5 to 25 years
Benches, seats, etc	5 to 15 years
Infrastructure	
Seals - Upper	20 to 40 years

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

Note 7 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Seals - Lower	80 to 120 years
Asphalt	40 years
Pavement – Sealed Road	80 to 120 years
Pavement – Rubble Road	20 to 80 years
Sub Pavement – Rubble Road	80 to 999 years
Bridges	60 to 100 years
Paving & Footpaths	25 to 50 years
Kerb & Watertable	60 to 80 years
Stormwater Drainage	60 to 300 years
Other Assets	
Artworks	indefinite
Right-of-use assets (refer Note 17)	2 to 3 years

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.

Earthworks is assessed as a component of land under roads and as such it has been assessed that no reliable value can be attached to earthworks.

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.

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

Freehold land and land over which Council has control, but does not have title, is recognised on a fair value basis.

Where land is classified as Hierarchy Level 3, site value as provided by the Valuer-General has been determined as the most suitable basis of valuation. Level 3 land was revalued at 1 July 2019.

Land classified as Hierarchy Level 2 was revalued at market value by Aaron Armistead, AAPI CPV #18353 of Preston Rowe Paterson as at 1 July 2019.

Additions are recognised at cost.

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

Note 7 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Buildings & Other Structures

Buildings and Other Structures include Buildings & Other Structures, Transfer Station, Regional Livestock Exchange, Swimming Lake and Aerodrome.

The Regional Livestock Exchange, Swimming Lake & Aerodrome include assets which are valued at Fair Value and on a cost basis.

Buildings and other structures which are valued at Fair Value were revalued by Aaron Armistead, AAPI CPV #18353 of Preston Rowe Paterson as at 1 July 2019.

Additions are recognised at cost.

Bridges (including major culverts)

Bridges (including major culverts) were revalued at Fair Value by Aaron Armistead, AAPI CPV #18353 of Preston Rowe Paterson as at 1 July 2019.

Additions are recognised at cost.

Infrastructure

Road seals and pavements were valued at depreciated current replacement cost as at 1 July 2018, based on local knowledge of road building techniques and useful lives. Council's methodology was reviewed and deemed as appropriate by Ashay Prabhu, Director, Assetic Pty Ltd. The on-ground assets were inspected, dimensions validated and upper component condition rated by Council staff and Greenhill Engineers Pty Ltd as at 1 July 2018.

Using prior year projects as the reference point, unit rates for road seals and pavements were recalculated by Council Officers as at 1 July 2020.

Road hierarchies were reviewed 1 July 2020 to ensure compliance with Council's endorsed Infrastructure & Asset Management Plan. This review resulted in the correction to a number of roads and subsequently impacted on the expected useful lives of these assets.

All other infrastructure assets, including drainage, stormwater, kerbs & watertable and walkways were valued at depreciated current replacement cost as at 1 July 2016, based on unit rates calculated on the value of work undertaken during the previous reporting period. Unit rates were reviewed annually as at 1 July 2021. This year Seals & Pavements were revalued using revised unit rates and resulting in an asset increase of \$2.983 million.

Additions are recognised at cost.

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

All other assets

These assets are recognised on the cost basis.

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

Note 8 - LIABILITIES

	Notes	2022		2021	
		Current	Non-current	Current	Non-current
		\$'000		\$'000	
TRADE & OTHER PAYABLES					
Goods & Services		953	-	808	-
Payments received in advance		396	-	321	-
Accrued expenses - employee entitlements		127	-	115	-
Accrued expenses - other		82	-	88	-
Aged Care Facility Deposits		542	-	213	-
Deposits, Retentions & Bonds		145	-	145	-
Other Payables		1	-	1	-
		2,246	-	1,691	-
BORROWINGS					
Loans		148	772	449	920
Leases Liabilities	17	3	1	44	4
		151	773	493	924
PROVISIONS					
LSL Employee entitlements (including oncosts)		528	36	614	24
AL Employee entitlements (including oncosts)		258	215	393	140
Other Employee Leave Entitlements		40	-	39	-
Other Provisions		-	-	2	-
		826	251	1,048	164

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

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

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2021	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2022
Notes	\$'000	\$'000	\$'000	\$'000
Land	8,102	-	-	8,102
Buildings & Other Structures	9,347	-	-	9,347
Infrastructure	133,412	2,983	-	136,395
Other Community Assets	1,374	-	-	1,374
TOTAL	152,235	2,983	-	155,218
Comparatives	137,855	14,380	-	152,235

OTHER RESERVES	1/7/2021	Transfers to Reserve	Transfers from Reserve	30/6/2022
Community Chest	21	-	(8)	13
Development	358	17	-	375
Lake Ormerod	1	-	-	1
Lucindale Health Centre	20	2	-	22
Lucindale Library	6	-	-	6
Open Space	25	-	-	25
Plant & Machinery	1,770	552	(44)	2,278
CWMS	589	29	-	618
TOTAL OTHER RESERVES	2,790	600	(52)	3,338
Comparatives	2,568	332	(110)	2,790

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).

Community Chest Reserve

The Community Chest Reserve acknowledges community grants given by Council but not claimed by Community Groups as at 30 June 2022.

Development Reserve

Reserve to allow for future development in the Council district. May be used to assist community groups and sporting bodies with expansion that has a proven community benefit.

Lake Ormerod Reserve

Account for funds held on behalf of Lake Ormerod Community Group.

Lucindale Health Centre Reserve

Funds set aside for future maintenance of the Lucindale Health Centre.

Lucindale Library Reserve

Lucindale Community Library. Commitment at amalgamation.

Open Space Reserve

Developers Contribution towards open space reserves.

Plant Machinery Reserve

Provision for future plant replacement.

CWMS Reserve

Balance of expenditure and income in relation to Lucindale's CWMS Scheme, held for future renewals & maintenance.

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

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

	Notes	2022 \$'000	2021 \$'000
CASH & FINANCIAL ASSETS			
Open Space Reserve		25	25
Community Waste Management Scheme (CWMS) Reserve		619	589
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		644	614

Open Space Reserve

Cash contributions received from developers in lieu of the provision of open space as part of a land division proposal. It is a condition of the contribution that the funds are spent either directly on the provision of open space or recreation (eg. playground) or the planning for such infrastructure.

Community Waste Management Scheme (CWMS) Reserve

Balance of expenditure and income in relation to Council's CWMS Scheme. Required by legislation to be preserved for expenditure in relation to future upgrades and/or maintenance of the Scheme.

Committed & Tied Grants

Unexpended grant income received that must be expended on a specific project. These grants have been recognised as Amounts Received in Advance

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

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	2022 \$'000	2021 \$'000
Total cash & equivalent assets	5	<u>11,910</u>	<u>10,524</u>
Balances per Cash Flow Statement		<u>11,910</u>	<u>10,524</u>

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

Net Surplus (Deficit)		2,523	1,952
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		5,921	5,785
Net increase (decrease) in unpaid employee benefits		(121)	(114)
Grants for capital acquisitions treated as Investing Activity		(769)	(697)
Net (Gain) Loss on Disposals		<u>1,009</u>	<u>1,273</u>
		8,563	8,199
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(173)	128
Net (increase) decrease in inventories		(62)	6
Net increase (decrease) in trade & other payables		359	(39)
Net increase (decrease) in other provisions		<u>(2)</u>	<u>(1)</u>
Net Cash provided by (or used in) operations		<u>8,685</u>	<u>8,293</u>

(c) Financing Arrangements

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

Bank Overdrafts			
Corporate Credit Cards		19	19
LGFA Cash Advance Debenture facility		3,500	4,000

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

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

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				
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Administration	14,685	14,586	4,055	3,973	10,630	10,613	3,191	2,898	15,186	13,613
Community Services	265	328	921	918	(656)	(590)	124	196	6,937	7,082
Environment	1,164	1,092	1,789	1,738	(625)	(646)	-	-	13,278	13,115
Culture	152	71	609	667	(457)	(596)	144	66	4,707	2,381
Recreation	5	5	1,139	984	(1,134)	(979)	-	60	9,932	9,639
Regulatory Services	308	348	347	408	(39)	(60)	-	-	19	19
Transport & Communication	1,504	1,076	6,167	6,274	(4,663)	(5,198)	1,702	1,379	147,410	146,155
Economic Development	111	74	453	486	(342)	(412)	563	294	504	498
Business Undertakings	2,007	1,947	1,917	1,574	90	373	-	-	10,849	10,889
Plant Machinery & Depot	77	61	168	84	(91)	(23)	-	-	5,195	5,095
Unclassified	213	276	163	230	50	46	-	-	2,094	2,192
TOTALS	20,491	19,864	17,728	17,336	2,763	2,528	5,724	4,893	216,111	210,678

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

Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Administration

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

Community Services

Fire Prevention, Immunisation & Other Preventative Health, Community Support, Volunteer Management, Halls, Harry Tregoweth Retirement Village, Seniors and Youth Support, Cemeteries, Effluent (not CWMS) and Public Conveniences.

Environment

Waste Management, Stormwater, Street Cleaning and Street Lighting.

Culture

Library Services, Heritage, Art Gallery and Lucindale Historical Museum.

Recreation

Parks & Gardens, Sporting Grounds & Facilities, Playgrounds, Swimming Lake

Regulatory Services

Urban and rural development, including building and planning. Dog Control, Livestock Control, Parking Control, Health Inspections, Septic Tank Approvals and General Inspectorial Responsibilities.

Transport

Aerodrome, Bridges, Footpaths, Bike Paths and Kerbing, Roads – sealed, Roads – formed, Roads – natural formed, Roads – unformed, Traffic Management, Drainage, LGGC – roads (formula funded), and Other Transport.

Economic Affairs

Land Development, Plantations, Visitor Information Centre and Events.

Business Undertakings

Naracoorte Regional Livestock Exchange, Community Waste Management Scheme (CWMS), Rental Property, Private Works and Quarries.

Plant, Machinery & Depots

Depot, fleet and plant operations

Unclassified Activities

Debt, Other Property & Services, Other and Vandalism.

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

Note 13 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned

Terms & conditions: Deposits are returning fixed interest rates between 0.44% and 1.3% (2021: 0.22 and 1.63%). Short term deposits have an average maturity of 90 days and an average interest rates of 0.68% (2021: 90 days, 0.64%).

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

Receivables - Rates & Associated

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

Terms & conditions: Secured over the subject land, arrears attract interest of .48% (2021: 0.42%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

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

Receivables - Fees & other charges

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

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

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

Receivables - other levels of government

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

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

Carrying amount: approximates fair value.

Receivables - Retirement Home

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

Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.

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

Liabilities - Creditors and Accruals **Accounting Policy:** Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

Terms & conditions: Liabilities are normally settled on 30 day terms.

Carrying amount: approximates fair value.

Liabilities - Retirement Home Contributions **Accounting Policy:** To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.

Terms & conditions: Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.

Carrying amount: approximates fair value for short tenancies; may be non-materially over-stated for longer tenancies.

Liabilities - Interest Bearing Borrowings **Accounting Policy:** initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate

Terms & conditions: secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 5.3% and 6.95% (2021: 5.3% and 7.95%)

Carrying amount: approximates fair value.

Liabilities - Finance Leases **Accounting Policy:** accounted for in accordance with AASB 16 as stated in note 17

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

Note 13 - FINANCIAL INSTRUMENTS (cont)

Liquidity Analysis

2022	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	11,910	-	-	11,910	11,910
Receivables	856	15	160	1,031	1,030
Total	12,766	15	160	12,941	12,940
<u>Financial Liabilities</u>					
Payables	1,831	-	-	1,831	2,037
Current Borrowings	195	-	-	195	148
Non-Current Borrowings	-	877	-	877	772
Total	2,026	877	-	2,903	2,957
2021	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	10,525	-	-	10,525	10,524
Receivables	898	135	167	1,200	1,157
Total	11,423	135	167	11,725	11,681
<u>Financial Liabilities</u>					
Payables	1,487	-	-	1,487	1,488
Current Borrowings	519	-	-	519	449
Non-Current Borrowings	-	780	292	1,072	920
Total	2,006	780	292	3,078	2,857

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

	30 June 2022		30 June 2021	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Cash Advance Facility		-	2.10	-
Fixed Interest Rates	5.30	920	5.33	1,368
		920		1,368

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

Note 13 - FINANCIAL INSTRUMENTS (con't)

Net Fair Value

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

Risk Exposures:

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

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

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

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

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

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

Note 15 - FINANCIAL INDICATORS

	2022	2021	2020
Operating Surplus Ratio			
<u>Operating Surplus</u>	13.5%	12.7%	13.5%
Total Operating Income			

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	-43%	-37%	-19%
Total Operating Income			

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

Adjustments to Ratios

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These **Adjusted Ratios** correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison between years.

Adjusted Operating Surplus Ratio	10.8%	11.8%	16.2%
Adjusted Net Financial Liabilities Ratio	-33%	-28%	-10%

Asset Renewal Funding Ratio

<u>Outlays on Existing Assets</u>	91%	100%	96%
Asset Renewals - IAMP			

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

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

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

	2022		2021
	\$'000		\$'000
Income	20,491		19,864
Expenses	(17,728)		(17,336)
Operating Surplus / (Deficit)	2,763		2,528
 Net Outlays on Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets	(5,984)		(4,186)
Add back Depreciation, Amortisation and Impairment	5,921		5,785
Proceeds from Sale of Replaced Assets	248		336
	185		1,935
 Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(2,264)		(1,390)
Amounts received specifically for New and Upgraded Assets	769		697
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-		-
	(1,495)		(693)
Net Lending / (Borrowing) for Financial Year	1,453		3,770

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

Note 17 - OPERATING LEASES

Council as a Lessee

Right of Use Asset

Naracoorte Lucindale Council leases a building, occupied by the Naracoorte Public Library, and server infrastructure.

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

Carrying Value	Building & Structures	Plant & Equipment	Office Equipment	Total
At 1 July 2021	45	-	1	46
Depreciation Charge	(41)	-	(1)	(42)
At 30 June 2022	4	-	-	4

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

	2022
Opening Balance 1 July 2021	48
Accretion of Interest	1
Payments	(45)
Closing Balance 30 June 2022	4
Current	3
Non Current	1

The maturity analysis of lease liabilities is included in note 13

Council and its associated entities (the group) had total cash outflows for leases of **\$44,508**.

The following are amounts recognised on profit or loss:

Depreciation expense right of use asset	42
Interest expense on lease liabilities	1
Expenses relating to leases of low value assets	2
Total amount recognised in profit and loss	45

Council as a Lessor

Council owns various buildings, plant and other facilities that are available for hire or lease in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

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

Note 18 – SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to HostPlus. 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 (9.5% in 2020-21; 10.0% in 2021-22). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2021-22) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), Council does not use defined benefit

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2021. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to 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.

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

Note 19 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position 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.

1. 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.

2. POTENTIAL INSURANCE LOSSES

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to a deductible "insurance excess", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

3. LEGAL EXPENSES

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 0 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

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

Note 20 - 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, 19 persons were paid the following total compensation:

	2022	2021
	\$	\$
Salaries, allowances & other short term benefits	1,470	1,404
Post-employment benefits	-	-
Long term benefits	28	23
Termination benefits	61	-
TOTAL	1,559	1,427

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

	2022	2021
	\$	\$
Contributions for fringe benefits tax purposes	-	-
Rentals for Council property	-	-
TOTAL	-	-

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 \$16,502 (excl GST) during the year.

One (1) close family member of key management personnel are employed by Council in accordance with the terms of the Award, and as recorded in the public Register of Salaries maintained in accordance with section 105 of the *Local Government Act 1999*.

Key management personnel or close family members (including related parties) lodged a total of one (1) planning and building 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.

One (1) planning and building approvals, with and without conditions, was granted during the year. Total fees for these applications (all of which are payable on lodgement) amounted to \$425.



INDEPENDENT AUDITOR'S REPORT

To the members of the Naracoorte Lucindale Council

Opinion

We have audited the accompanying financial report of the Naracoorte Lucindale Council, which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of the Naracoorte Lucindale Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Council's Responsibility for the Financial Report

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

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

Mount Gambier

233 Commercial Street West
PO Box 246, Mount Gambier SA 5290
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling

Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood

3 Kensington Road, Norwood SA 5067
PO Box 4067, Norwood South SA 5067
P: (08) 8332 3433
E: norwood@galpins.com.au

W: www.galpins.com.au

Galpins Trading Pty Ltd
ABN: 89 656 702 886

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under Professional Standards Legislation

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

02/12/2022



INDEPENDENT AUDITOR'S REPORT

To the Members of the Naracoorte Lucindale Council

Independent Assurance report on the Internal Controls of the Naracoorte Lucindale Council

Opinion

We have audited the compliance of the Naracoorte Lucindale Council with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2021 to 30 June 2022 have been conducted properly and in accordance with law.

In our opinion, the Naracoorte Lucindale 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 2021 to 30 June 2022.

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 2021 to 30 June 2022. 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.

Mount Gambier

233 Commercial Street West
PO Box 246, Mount Gambier SA 5290
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Auditor's responsibility

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the Local Government Act 1999 in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to 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 2021 to 30 June 2022. 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


02/12/2022

Naracoorte Lucindale Council
Annual Financial Statements
for the year ended 30 June 2022
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Coalface SA Council for the year ended 30 June 2022, the Council's Auditor, Galpins Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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


.....
Trevor Smart
CHIEF EXECUTIVE OFFICER


.....
Jim Ker
PRESIDING MEMBER AUDIT COMMITTEE

Date: 8 November 2022

**Naracoorte Lucindale Council
Annual Financial Statements
for the year ended 30 June 2022**

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of Naracoorte Lucindale Council for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



Tim Muhlhausler
Galpins Accountants, Auditors & Business Consultants

Dated this 2nd day of December 2022



Appendix 2 LCLGA Annual Report

LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION



ANNUAL REPORT 2021-22



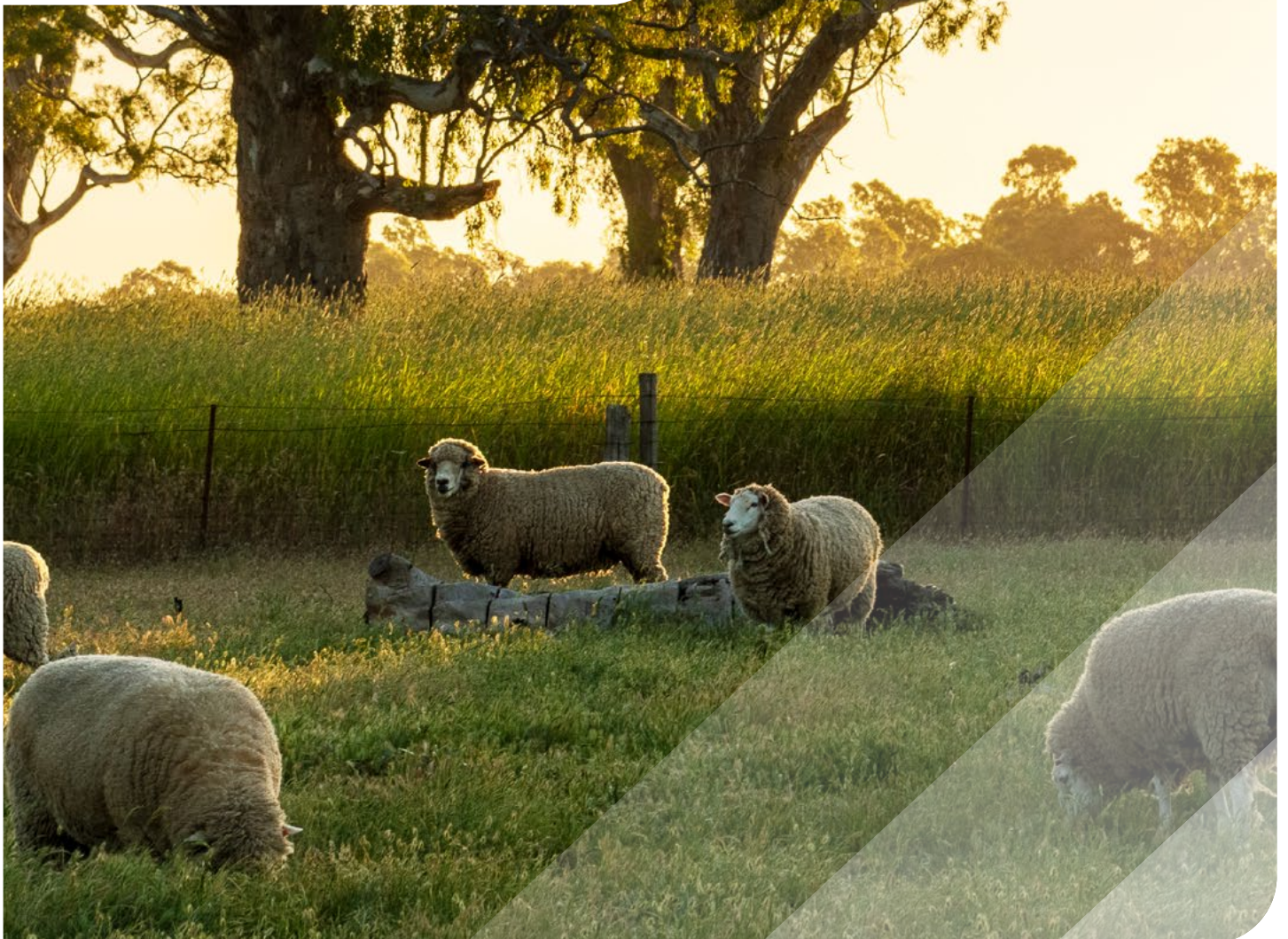


Welcome

“It has been a privilege to be the president of the LCLGA and to work with the Mayors and CEOs of the Limestone Coast Councils.

2021/22 was a challenging year for our limestone coast community as we successfully managed the impacts of the pandemic and variants, cross-border travel restrictions with Victoria, geopolitical tensions that continue to impact supply chains and our markets, State and Federal elections, housing shortages, difficulties in recruiting staff, and the devastating impact of fire and coastal erosion.”

Mayor Erika Vickery (OAM)
President LCLGA



Local government is the level of government that is closest to our community, and we have worked collaboratively across the seven councils in the Limestone Coast for the benefit of our region. Indeed our purpose or “Why” is to “collectively build stronger communities”. The Limestone Coast Local Government Association (LCLGA) is the collaboration vehicle Councils use to collaborate and pursue regional outcomes. The Limestone Coast Councils have collaborated through the LCLGA for over 136 years showing that collaboration is a highly and sustainably held value.

We have continued to implement the directions of our five-year strategic plan. In particular, we continued to focus our efforts on being narrow and deep rather than shallow and wide in delivering value to our members and our water community. This means we are targeting our resources to do a few things well, rather than taking on so many activities that our efforts become diluted. The key to this approach being successful is to ensure we are focusing on the highest priority outcomes for our members.

Our highest priority work (as identified by our members in the 2021/22 Business Plan) was advocacy, destination development, regional waste, roads strategy, joint planning board, and StarClub. In addition to these projects, the LCLGA also delivered the outcomes from incubator projects. These are projects where, for a limited time, we experiment to see if we can deliver an innovative value proposition for our community and assess the potential for the innovation to transition into either business as usual or to exist as an ongoing concern outside of the LCLGA.

In 2021/22 we delivered three incubator projects, they were the Substance Misuse Limestone Coast (SMLC), the Regional Leadership Programme, and the Limestone Coast Regional Sports Academy (LCRSA). The SMLC has evolved into its own entity and is expected to spin out of the LCLGA in 2022/23, the Leadership program completed three successful years and has now evolved into a State Project with significant funding (\$2m) from the State Government using our project as a model for all regions in SA; and the LCRSA continues to develop and has had significant success in assisting young sub-elite athletes to pursue sporting opportunities.

The development of our first Advocacy Agenda, which spells out the advocacy priorities for our region, has been a great tool to focus the advocacy effort of the

LCLGA and our members with a number of other regions seeking to duplicate this approach.

A special thank you to those agencies that partnered with us over the past twelve months. Without your valuable contribution, time and effort, many of our projects would not go ahead. They are the South Australian Tourism Commission, Office for Recreation Sport and Racing, Regional Development Australia Limestone Coast, Local Government Association of South Australia, SA Government Departments and Agencies, the University of South Australia, the Australian Federal Government and our member Councils. Your continued support is very much appreciated.

We acknowledge the tremendous efforts of Federal Member of Parliament Mr Tony Pasin MP and State Members Mr Troy Bell MP and Mr Nick McBride MP. Their assistance and support is valued and greatly appreciated.

On behalf of the Board, I would like to acknowledge the efforts of our dedicated staff over the past 12 months.

The Annual Report includes an overview of the value we have delivered to our members and community in 2021/22. I commend this years’ report to you and would like to acknowledge the continued support of the constituent council Mayors, elected members and Chief Executive Officers.

Mayor Erika Vickery (OAM)

President LCLGA



This document is the Annual Report of the Limestone Coast Local Government Association (LCLGA) Inc. for the period 1st July 2021 to 30th June 2022 and was prepared pursuant to the Local Government Act 1999 to report to Constituent Councils on the work and operation of the Association for the preceding financial year.

This report details the activities of the Association to represent and serve the seven Constituent Councils and to advance the Limestone Coast communities through effective advocacy, facilitation, project delivery and innovation.

Our Association

LCLGA was established as a regional body on 6th October 1885. LCLGA is a regional subsidiary representing its Constituent Councils and is established pursuant to Section 43 of the Local Government Act 1999 by the Constituent Councils.

The Association is comprised of the following Constituent Councils:

- › District Council of Grant
- › Naracoorte Lucindale Council
- › Wattle Range Council
- › Kingston District Council
- › District Council of Robe
- › City of Mount Gambier
- › Tatiara District Council

Under its Charter, LCLGA's objectives are to:

- › Work in Association with both the Local Government Association of South Australia (LGASA) and the Australian Local Government Association.
- › Undertake co-coordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level.
- › Facilitate and coordinate activities of local government at a regional level related to social, environmental and community 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 its region.
- › Develop and manage policies which guide the conduct of programs and projects in its region with the objective of securing the best outcomes for the communities of the region.
- › Undertake projects and activities that benefit its region and its communities.
- › Associate, collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest.
- › Implement programs that seek to deliver local government services on a regional basis; and
- › To effectively liaise and work with the State and Commonwealth Government and instrumentalities on a regional basis for the general enhancement of the region.

The LCLGA Board

The LCLGA Board comprises nominated representatives from each of the Constituent Councils and is chaired by the LCLGA President. Each Constituent Council can nominate up to two Deputy Board Members.



LCLGA Board Memembers 2021-22

Council	Delegate	Deputy Board Member/s
City of Mount Gambier	Mayor Lynette Martin (OAM)	Deputy Mayor Christian Greco
District Council of Grant	Mayor Richard Sage	Cr Gillian Clayfield
Wattle Range Council	Mayor Des Noll	Deputy Mayor Moira Neagle Cr Dale Price
District Council of Robe	Mayor Alison Nunan	Cr David Laurie
Kingston District Council	Mayor Kay Rasheed	Cr Jodie Gluyas Cr Chris England
Naracoorte Lucindale Council	Mayor Erika Vickery (OAM)	Cr Scott McLachlan Cr Craig McGuire
Tatiara District Council	Mayor Graham Excell	Cr Robert Mock

The Board held six ordinary bi-monthly General Meetings, and The Annual General Meeting during 2021-2022. Meetings are hosted by Constituent Councils on a rotational basis.

Office Bearers 2021-22

In accordance with the LCLGA Charter, the positions of LCLGA President and Vice President are appointed at the Annual General Meeting, held in February.

At the Annual General Meeting in February 2022, Mayor Erika Vickery was again elected as LCLGA President, to serve in the position for a period of 12 months. Mayor Lynette Martin was elected as LCLGA Vice President.

During 2021-2022, the Executive Officer role was filled by Tony Wright.

Dean Newbery and Partners are the appointed Auditor.

During 2021-2022, LCLGA engaged the following staff to deliver regional programs:

Staff Member	Position
Tony Wright	Executive Officer
Michaela Bell	Program and Policy Manager
Tony Elletson	STARCLUB Field Officer Limestone Coast Regional Sporting Academy Coordinator
Biddie Shearing	Destination Development Manager
Ali Auld	Leadership Program
Paul Manfrin	Corporate Services Officer
Sophie Boucher	Substance Misuse Limestone Coast
Heidi Eldridge	Destination Development Coordinator

Delegates to the Local Government Association of South Australia

Under the Constitution of the LGASA, regions are represented via appointed members to serve on the LGA Board and the South Australian Regional Organisation of Councils (SAROC).

Council	LCLGA Representative
LGA Board	Mayor Erika Vickery
SAROC	Mayor Erika Vickery LCLGA EO Mayor Richard Sage (Proxy)

SAROC is an important LGA committee for non-metropolitan Councils. Membership is drawn from each of the six non-metropolitan Regional Local Government Associations with members meeting bi-monthly to discuss the key issues affecting non-metropolitan Councils.



Association Committees and Working Parties

To undertake specific projects or fulfil areas of operational responsibility, LCLGA convenes a number of committees and working parties. LCLGA acknowledges the work of all who have contributed to the following committees and working parties throughout 2021-2022.

(The current appointments are listed, as of February 8, 2022)

Committee / Working Party	Representative	Council
LCLGA Roads and Transport Management Group	Cr Jamie Jackson (Presiding Member)	Tatiara District Council
	Mr Aaron Hillier	
	Cr Paul Jenner	City of Mount Gambier
	CEO or delegated staff member	
	Mr Daniel Willsmore	Naracoorte Lucindale Council
	Mr Dave Worthley	Kingston District Council
	Mr Peter Halton	Wattle Range Council
	Ms Lauren Oxlade (Proxy)	
	Mr Adrian Schutz	District Council of Grant
	Mr Robert Noir	Robe District Council
	Cr Bob Bates (Proxy)	
	Mayor Erika Vickery (President)	LCLGA
	Mr Tony Wright	
Limestone Coast Economic Development Reference Group (the group was suspended during 2021/22)	Mr Trevor Smart	Naracoorte Lucindale Council
	Mayor Richard Sage	District Council of Grant
	CEO or delegate (Proxy)	
	Ms Emma Clay	Wattle Range Council
	Cr Frank Morello	City of Mount Gambier
	Mr James Holyman	District Council of Robe
	Ms Nat Traeger	Kingston District Council
	Mayor Graham Excell	Tatiara District Council
	Ms Anne Champness	
	Mayor Erika Vickery (President)	LCLGA
Mr Tony Wright		
Mrs Michaela Bell		

Committee / Working Party	Representative	Council
LCLGA Regional Waste Management Steering Committee	Mr Peter Halton (Chair)	Wattle Range Council
	Ms Lauren Oxlade (Proxy)	
	Mr Daniel Willsmore	Naracoorte Lucindale Council
	Mr Dave Worthley	Kingston District Council
	Cr Paul Jenner	City of Mount Gambier
	Mr Aaron Price	District Council of Grant
	Mr Leith McEvoy	
	Mr James Holyman	Robe District Council
	Mr Aaron Hillier	Tatiara District Council
	Mayor Erika Vickery (President)	LCLGA
	Mr Tony Wright	
	Mrs Michaela Bell	
Tourism Management Group	Ms Jayne Miller	Naracoorte Lucindale Council
	Ms Nat Traeger	Kingston District Council
	Ms Emma Clay	Wattle Range Council
	CEO or delegate	City of Mount Gambier
	Mr Kingsley Green	Tatiara District Council
	Ms Anne Champness	
	Mr Mike Ryan	District Council of Grant
	Ms Camille Lehmann	District Council of Robe
	Mayor Erika Vickery (President)	LCLGA
	Mr Tony Wright	
	Mrs Biddie Shearing	
Regional Sport and Rec Advisory Group	Vacant	District Council of Grant
	Ms Heather Schinkel	Kingston District Council
	Mrs Jayne Miller	Naracoorte Lucindale Council
	Cr David Laurie	District Council of Robe
	Mayor Alison Nunan (Proxy)	
	Ms Naomi Fallon	Tatiara District Council
	Cr Kate Amoroso	City Mount Gambier
	Ms Emma Clay	Wattle Range Council
	Mayor Erika Vickery (President)	LCLGA
	Mr Tony Wright	
		Mr Tony Elletson
LCLGA Audit & Risk Committee	Mayor Richard Sage	District Council of Grant
	Mayor Erika Vickery (Chair)	Naracoorte Lucindale Council
	Mr James Holyman	District Council of Robe
	Mr Paul Duka	Wattle Range Council
	Mr Tony Wright	LCLGA

Association Representation - Outside Organisations

LCLGA has numerous representatives on working parties, boards and committees including State Government boards, cross border bodies and regional boards and committees. This representation allows LC LGA to keep in touch with communities and contribute to new and existing initiatives.

During 2021-2022, LCLGA made or continued the following appointments to other organisations.

(The current appointments are listed, as of February 2022)

LCLGA Appointments To Outside Organisations	Current Appointments	Council
South East Zone Emergency Management Committee (ZEMC)	Ms Barbara Cernovskis	City of Mount Gambier
	Mr Daryl Whicker	District Council of Grant
Limestone Coast Zone Emergency Centre Committee (ZEST)	Mr Tony Wright (Local Government Controller)	LCLGA
	Mr Ben Hood (Local Government Deputy Controller)	City of Mount Gambier
Green Triangle Freight Action Plan - Implementation Management Group	Ms Barbara Cernovskis	City Mount Gambier
	Mr Tony Wright	LCLGA
Limestone Coast Community Services Roundtable	Mayor Erika Vickery	Naracoorte Lucindale Council
	Cr Moira Neagle	Wattle Range Council
Regional Development Australia Limestone Coast	Mayor Erika Vickery	Naracoorte Lucindale Council
Limestone Coast Bush Fire Management Committee	Mr David Hood	Naracoorte Lucindale Council
	Mr Roger Balbolka (Deputy)	Wattle Range Council
Southern Border Fire Coordination Association	Mr Roger Balbolka	Wattle Range Council
Local Government Association of SA - LGA Board	Mayor Erika Vickery (SAROC Chair)	Naracoorte Lucindale Council
	Mayor Richard Sage (Proxy)	District Council of Grant
South Australian Regional Organisation of Councils (SAROC)	Mayor Erika Vickery (SAROC Chair)	Naracoorte Lucindale Council
	Mayor Richard Sage	District Council of Grant
	LCLGA EO (Observer)	LCLGA
Group Training Employment	Cr Paul Jenner	City of Mount Gambier
AC Care	Mr Tony Wright	LCLGA

An underwater photograph of two divers swimming in clear blue water. Sunlight rays stream down from the surface, creating a dramatic, ethereal atmosphere. The divers are silhouetted against the bright light. The overall color palette is dominated by various shades of blue, from deep navy to bright cyan.

Key Result Areas

The strategic plan identifies three key result areas to focus on and support our “why” of collectively building stronger communities.

They are building:

- › Sustainable Communities
- › Stronger Economy
- › Member Capability

1. Building Sustainable Communities

A sustainable community has resilience, leadership, a healthy environment, an optimistic mindset, community well-being, connected and inclusive with built environments where we want to live and others want to join.

Over the 2021/22 year, building sustainable communities in a COVID-19 recovering environment within a local government context was the focus.

Business Plan Objectives

- > Our networks, members and stakeholders are connected and engaged
- > Incubator project outcomes have transitioned to alternative governance and operational arrangements
- > The governance, effective management, and capabilities of sporting clubs continue to improve (Star Club)
- > Joint Planning Board commences operations to develop a new regional plan

Strategy	Overview	Key Outcomes
Engage with stakeholders and proactive advocacy	The development of our advocacy agenda was a helpful tool as we engaged with local members, through the LGASA, directly with government departments and via the Cross Border commissioner.	<ul style="list-style-type: none"> > Local members incorporated our priorities into their campaigns. > Meetings with departments like DiT to create a channel for local priorities. > The Victorian Cross Border Commissioner picked up the transportability of TAFE funding as an impediment to efficient access to vocational training in cross border communities. > Shifting the state thinking on Regional Plans and Joint Planning Boards. > Engaging in the emerging debate on Regionalisation.
Star Club Program	This highly successful program continues to derive benefits for our community. As a region as we develop the skills and capability of our clubs to sustainably run them.	<ul style="list-style-type: none"> > Highest participation rate in StarClub of any region in SA. > Significant success from our StarClub Members accessing grants (\$1.3m) > Delivery of training courses in the region in the areas of cyber security and child safe officer
Sports Academy	The Academy continues to grow and in 2021/22 a decision was made to limit numbers to ensure we sustain a focus on sub-elite athletes and develop the capability of our regional coaches.	<p>Multiple achievements from personal bests to state and national teams and awards.</p> <p>Continued support from ORSR and working closely with a number of sports on sub-elite pathways.</p>
Leadership Program	To develop an immersive leadership development program to active community leadership.	45 graduates from the program which has triggered a \$2m investment in Regional Leadership by the SA Government as a direct result of the LCLGA Leadership Program.

Strategy	Overview	Key Outcomes
Substance Misuse Limestone Coast	To support allied professionals and the community in engaging in the challenge of substance misuse and to activate a community response.	<p>The Planet Youth program is providing insights into community responses to reduce youth drug and alcohol harm.</p> <p>SMLC Summit identified a number of areas where there were insufficient services to meet the need.</p> <p>Training and information provided to professionals and families to assist with managing addiction and violence.</p>
Regional Health and Wellbeing	Develop and implement a Regional Health Plan	Plan completed and little additional work now required.
Access Grant Funding	Access grant funding for LCLGA programs and assist our community with access funding.	<p>LCLGA accessed \$248,000 in project grants, \$288,000 for Auspiced projects, \$665,000 for Roads (\$1.2m).</p> <p>Indirectly supported \$1.3m in sports and numerous tourism submissions which have not been quantified.</p>
Auspice the SA Coastal Council Alliance (SACCA)	Support the operations of the SA Coastal Council Alliance	The SACCA program was supported with use of our systems, contracts and financial controls. SACCA received \$90,000 in 2021/22.



2. Building Stronger Economy

A strong economy relies on human capital (skills, knowledge, and innovation), financial capital (investment), productivity (more from less), realising local competitive advantages, entrepreneurialism, value clusters, increased supply chain value capture from exports, capturing local value (buy local); and attracting spend from outside our area (investment and visitation).

Business Plan Objectives

- › Destination Development Strategy (DDS) is approved, and implementation commences
- › Regional Roads Strategy is monitored and sought after funding for high-priority roads achieved
- › A viable (politically, commercially, risk and governance) waste option is developed
- › The Regional Growth Strategy is monitored, and Board approved projects delivered
- › Collaboration opportunities on cross-border projects are agreed

Strategy	Overview	Key Outcomes
Monitor and develop the regional growth strategy	Overseeing the regional growth strategy.	The regional growth strategy lost momentum and is being refreshed in 2022/23.
Maintain the Roads Database and Councils Skills	The Limestone Coast Regional Roads Plan and Database is current so we are seeking funding support for high-priority roads with regional significance. This planning and analysis ensures we have a sound evidence base to support these applications.	All projects but one were accepted for SLRP funding. Feedback was provided into the LGASA process which seems to have become disconnected from the Regional Transport Plan.
Test the viability of a regional waste solution	Continue to develop a model for a regional materials recycling facility.	Tender released for commercial advisors following three reviews into the financial viability of a regional MRF.
Implement the Destination Development Strategy	Implement the Limestone Coast Destination Development Strategy to drive the increased economic value of Tourism for our region.	The strategy implemented, staff engaged, and the program had to pivot several times during the year to support our local industry with Covid-19 and borders closing, opening and the rules for crossing the border constantly changing.
RDALC Deliverables Qualified	Work with the RDALC to ensure there is clarity on the outcomes achieved from the provision of funding on behalf of our members.	Clarification was reached on the funding model being related to small business services.
Cross Border Partnerships	Work with the Victorian Cross Border Commissioner and Councils to ensure the border does not limit opportunities for our region.	Frequent meetings with the Cross Border Commissioner who include the Limestone Coast in his Victorian Council fortnightly updates.
Red Meat Cluster	The Red Meat Cluster strategic plan was completed. The future of the group changing to a networking opportunistic one.	The Plan was completed as approved by the steering committee. Meetings were held to allow for networking and sharing of industry knowledge.

3. Building Member Capability

Building our capability focuses on increasing the availability and access to resources, reducing costs, improving performance, developing new skills and knowledge, leveraging our member's abilities for collective benefits, and developing and growing our employee's capabilities across our region.

Business Plan Objectives

- > Priority skills, resource sharing and funding arrangements (including grants) commenced
- > Shared approaches deliver improved value
- > Members collaborate effectively through LCLGA forums, committees and working groups
- > Members are well-positioned to respond to the requirements of the Local Government Review Bill.

Strategy	Overview	Key Outcomes
Deliver member forums	Deliver a number of forums to keep our members connected and informed.	Multiple forums delivered as board meetings, workshops, fortnightly CEO and Mayor catchups and working group meetings. In total at least 95 forums and meetings were facilitated by the LCLGA throughout the year.
Members' communications and dashboard	Ensure our members are kept up to date on regional issues and have a clear oversight of the LCLGA's performance	Communications are being improved with informal forums and email proving to be an effective channel. A draft dashboard has been developed for inclusion in the website upgrade in 202/23.
Shared capability	Seek opportunities for shared capability development.	An opportunistic approach, such as with the Localis system but a structured approach was not developed and in 2022/23 this responsibility has been moved back to the CEO forum.
Provide analysis, advice, submissions and advocacy.	Engage, via various channels, with stakeholders to ensure the needs of our members and region are considered in decisions making and policy development.	<p>The development of our Advocacy Agenda has focused our communications and stakeholder attention on our priorities.</p> <p>DiT is now trialling a local government engagement with the LC Roads Group to set regional priorities.</p> <p>Following the election, there has been a significant increase in support for the Sports Academy with an additional \$300,000 in grant funding over the next three years.</p>

Destination Development

The Limestone Coast Local Government Association (LCLGA) reshaped the regional tourism program into a broader Destination Development Strategy to bring together regional branding and activities to grow the visitor economy and regional prosperity and as a result of this, the Destination Development Strategy received additional resources from our members to support its delivery.



While significant progress was made in implementing the approved strategy there was also a need to pivot and support our industry as the border opened, closed and opened as states tried to manage community concerns, health infrastructure and lack of knowledge as new Covid-19 variants emerge. Over the Christmas period, this was extremely disruptive and significantly impact our Tourism industry.

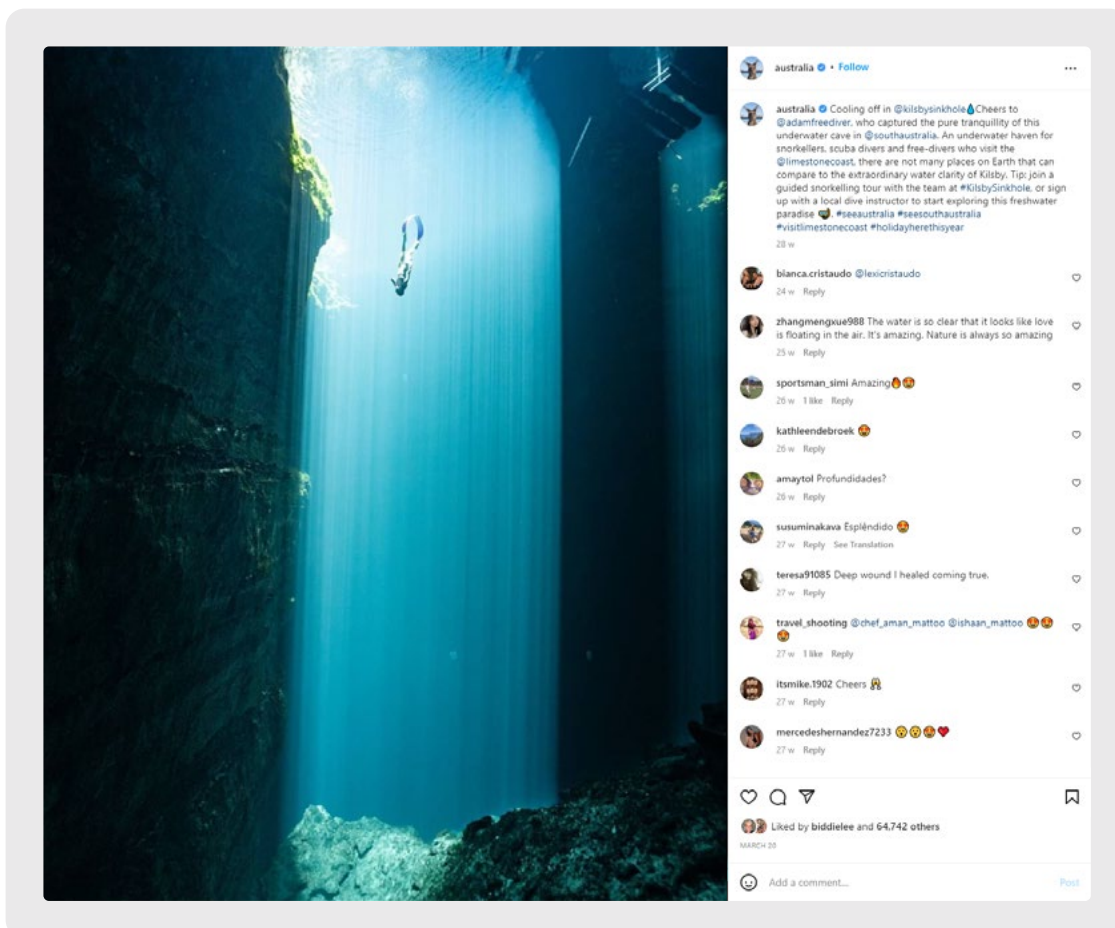
In particular, we made significant progress implementing the 149 identified actions in the strategy which included increasing our social media marketing, developing industry capability, developing itineraries, connecting the local industry, creating learning experiences and creating a new website landing page.

The continued development of the industry operator Facebook page, which we established to support operators when COVID-19 started, has grown from 253 to 533 members and proved to be an extremely effective communication tool with the limestone coast tourism industry.

The LCLGA have invested in creating digital storytelling to promote our region to target markets. This has proven

to be extremely effective as social media reach across Instagram and Facebook achieving just under 800,000 engagements.

The focus of our social media marketing campaign has been to increase the awareness of the Limestone Coast as a travel destination, increase engagement and trust with website users, convert website users into two bookable opportunities, and build trust and reposition the tourism industry within the limestone coast to be more invested and engaged in digital marketing.



In addition to our social media marketing activities, we also worked closely with the South Australian Tourism Commission (SATC) and attended regional tourism forums, facilitated Famil's with the tourism industry and over 50 influencers, and distributed over 1300 pieces of communication with Limestone Coast tourism operators, over 150 face to face appointments within our region provided over 208 posts on opportunities for funding training and webinars to tourism operators. We also provided essential market intelligence to the SATC on the impact of close borders on the tourism industry and the effectiveness of the programmes in supporting tourism in the Limestone Coast.

During 2021/22, we also entered into new collaborative partnerships with Wimmera Mallee Tourism, Glenelg Shire Tourism, Great Ocean Road Tourism and specific consumer campaigns with Southern Grampians Shire.

The Destination Development Project continues to support the Mixed Dozen Interactive Trails Planner which is embedded in our destination website and supported over 50 businesses who applied for state government tourism-related grants for industry development, event funding and nature-based tourism.

We supported over 12 events across the region with collaboration from the SATC.

A significant milestone in the Destination Development Project was delivering the first operator event at Cape Jaffa Wines with over 80 operators attending (the largest turnout for an event of this type in 10 years). There was a significant appetite to meet again in person and to hear about the LCLGA's plans to support the limestone coast tourism industry.

We continued to engage in face-to-face and in-person trade events with tourism booking intermediaries, for example in just one of these events we had 211 appointments with the trade to promote the Limestone Coast as a desirable destination for their clients.

The Destination Development Manager (Biddie Shearing) took up a new role with the City of Mount Gambier. We thank Biddie for the significant work she has done in supporting the Limestone Coast tourism industry and by creating the destination development strategy we are currently implementing.

Biddie has been a powerhouse behind the LCLGA's activities working with our members and operators to promote and develop the capability of our tourism industry. We wish her well for the future.





Limestone Coast Regional Sports Academy and STARCLUB

Local government recognises the importance of sporting and recreation clubs to regional communities and is pleased to partner with the Office for Recreation, Sport and Racing to deliver the Star Club Program and Regional Sports Academy in the Limestone Coast.

StarClub

The StarClub Program promotes involvement in recreation and sport by supporting all sporting and recreation clubs in the Limestone Coast in the areas of leadership, financial sustainability, compliance, planning and volunteer management. LCLGA hosts the StarClub Field Officer, who serves as an on-ground resource and a conduit between clubs, councils, associations and the Office of Recreation and Sport.

The long-term goals of this program are:

- › To ensure clubs in the region are compliant with State and Federal Legislation,
- › Clubs are financially stable through prudent self-management and have access to appropriate funding
- › Maintain and build on membership, players and volunteers within the club.

The StarClub Field Officer provides support to clubs and associations in a number of areas:

Funding and Financial Stability

Awareness of grant availability and application support, increased eligibility through Starclub membership, and education and training regarding financial stability.

In 2021/22 the Limestone Coast received 20% of State Government Grants for sporting infrastructure (\$1.3 million), this was a significant outcome when we represent 3% of the SA population.

Volunteer Management

Sourcing and retaining volunteer support, running nationally-accredited training and education locally, information on education and training courses, providing templates for job descriptions for volunteers, Volunteer Management Policy assistance, ideas to involve, recognise and reward volunteers, and providing information on Succession Plans and complaints / conflict procedure.

Compliance

Occupational Work, Health and Safety for club staff and volunteers, Child Protection, constitutions update, review or start from scratch, incorporation, affiliation with State or national bodies, compliance with the Discrimination Act, risk management and information on licensing requirements for clubs selling alcohol. Such as providing Cyber Safe Webinar and Child Safe Officer courses across the region (free to StarClubs members).

Planning

Long term maintenance of facilities, Strategic Planning, Job Descriptions, Codes of Conduct, Good Sports Program and Play by the Rules Program. Such as the Robe Strategic Plan, Assisting the Tatiara Masters Games Committee, Mount Gambier Open Space Recreational Plan.

Limestone Coast Regional Sporting Academy (LCRSA)

In partnership with the Office for Recreation, Sport and Racing and the LCLGA, the Limestone Coast Regional Sporting Academy (LCRSA) inducted its first Inductees in October 2017 and commenced working with these Athletes in November, as part of a Pilot Program.

The Academy has continued to grow since its inception and now partners with six sports - Hockey, Tennis, SASI Cycling, Swimming, Basketball (via the Pioneers) and Athletics SA. The Academy also continues to receive significant support from the Office for Recreation, Sport and Racing in terms of funding, advice and networks.

Due to the Academy's success, there has been a high demand to join our program. The LCLGA took a decision to ensure we remained focused on elite and sub-elite pathways and capped the numbers at 70 so we could continue to provide focused and efficient support to Academy members.

Highlights included:

- > Hockey and Tennis program athletes won competitions against Western Victoria Sports Academy. Our Hockey team in particular excelled playing against a team made up of Victorian State Players and our Tennis Team won against players up to five years their seniors.
- > A Coach from the Academy was appointed Head of Sports Science with Div. One English Football Team Ipswich Town.
- > Academy member drafted by the AFLW Crows.
- > Two cyclers were selected in the National Futures Squad.
- > Academy hockey players selected in the National U18 Squad
- > Former Academy participant becomes the youngest player to reach 50 games in the SANFLW.
- > State titles in the under 20 years of age in the 100m and 400m.
- > Basketball U18 State Girls Team Representative.
- > Supporting a member of the Australian Ballet School with strength and conditioning programs.
- > SASI partnership to enable talent testing in schools.
- > National Men's Track Cycling Coach visiting our region to work with our athletes.
- > Ten Basketball Program athletes making their state age teams and one making the national team.
- > A National Champion in the Heptathlon.



Leila Croker National Champion and High Performance Director Tony Checker



Sarah Dally SASI



In the gym

Limestone Coast Leadership Program

In its last year, the community leadership capacity-building program aims to develop people for roles on Boards, Council, Community Leadership, Project Development and Governance, Industry and Business Associations and Sport, Recreation and Service Clubs.

Over three years, there were 45 graduates with a number progressing to take on leadership roles in the community and even progressing to employment in local government. Overall the program was 23% funded by Councils and 77% of funds sourced from business, industry associations, community, government, and philanthropic organisations.

Following the cessation of the program, the State Government Announced a \$2m investment in activating regional leadership, based on the outcomes and learnings from the LCLGA project.



SMLC

SMLC's origins are inspired by the work of the Western Region Alcohol and Drug Service and research by the Victorian Parliament's inquiry into the Supply and Use of Methamphetamines and in their subsequent Ice Action Plan.

While the issues and responses are complex, SMLC has focused on objectives which match key elements of the Victorian Ice Action Plan and National and State Alcohol and Other Drug Strategies.

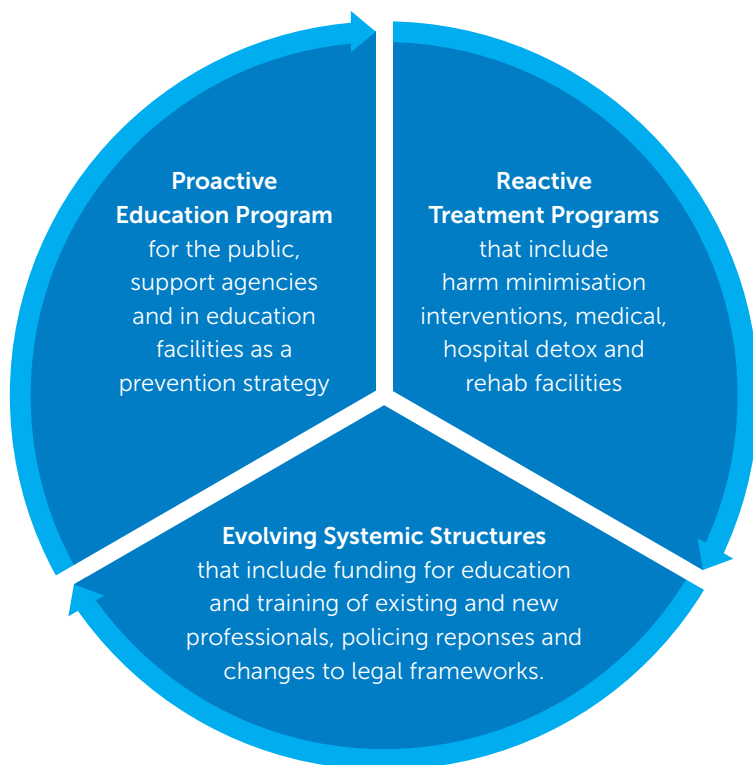
The SMLC focuses on delivering against the following objectives:

- > Supporting Limestone Coast school's evidence-based AOD education in the curriculum.
- > To Build community awareness of addiction issues / Website / LinkedIn.
- > Establish Community Partnerships
- > To establish a Board representing diverse community interests to build and champion the development of substance misuse infrastructure and a community-based collaborative model.

Highlights included:

The SMLC produced a substance use report on the impacts of Covid-19 in the Limestone Coast which identified the following issues:

- > Alcohol use increase by up to 25%;
- > Increased reports of domestic and family violence;
- > Increased reports of severity of domestic and family violence;
- > An increase in methamphetamine and GHB use;
- > A 25% mental health presentation increase;
- > A 25% increase for financial counselling services;
- > Privacy and security concerns through Zoom and online applications were experienced by professionals;
- > 67% of agencies considering altering client contact models into the future;
- > No public transport within the Limestone Coast highlighted.



Planet Youth Survey Conducted Across Our Region with 12 schools participating

Family education and therapeutic training for family and friends supporting someone with drug and or alcohol problems.

Formation of the SMLC as an independent legal entity

Delivered a regional summit on regional needs and goals in alcohol and other drug sectors.

Domestic and family violence workforce training for 40 frontline professionals

LIMESTONE
COAST LOCAL
GOVERNMENT
ASSOCIATION

FINANCIAL
REPORTS

30 JUNE 2022



LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
INCOME			
Local Government Council Contributions	2	807,383	647,288
Other Contributions	2	42,783	73,091
Other Income	2	42,127	164,937
Project Income	2	496,035	496,762
Unbudgeted Project Income	2	-	12,864
Total Income		<u>1,388,328</u>	<u>1,394,944</u>
EXPENSES			
Operating Expenses	3	212,600	175,496
Employee Costs	3	667,725	619,225
Project Expenditure	3	606,471	734,196
Unbudgeted Project Expenditure	3	-	12,864
Total Expenses		<u>1,486,795</u>	<u>1,541,781</u>
NET SURPLUS / (DEFICIT)			
transferred to Equity Statement		(98,467)	(146,837)
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	-
Total Other Comprehensive Income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>(98,467)</u>	<u>(146,837)</u>

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

LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF FINANCIAL POSITION

as at 30 June 2022

	Notes	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	648,360	771,577
Trade and Other Receivables	4	<u>66,147</u>	<u>81,556</u>
Total Assets		<u>714,507</u>	<u>853,133</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	5	87,723	53,935
Provisions	5	89,972	60,313
Other Liabilities	5	<u>160,859</u>	<u>253,467</u>
Total Current Liabilities		<u>338,553</u>	<u>367,715</u>
Non-current Liabilities			
Provisions	5	<u>2,737</u>	<u>13,734</u>
Total Non-current Liabilities		<u>2,737</u>	<u>13,734</u>
Total Liabilities		<u>341,290</u>	<u>381,449</u>
NET ASSETS		<u>373,217</u>	<u>471,684</u>
EQUITY			
Accumulated Surplus		<u>373,217</u>	<u>471,684</u>
TOTAL EQUITY		<u>373,217</u>	<u>471,684</u>

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

LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2022

2022	Notes	Accumulated Surplus	TOTAL EQUITY
		\$	\$
Balance at end of previous reporting period		471,684	471,684
Net Surplus / (Deficit) for Year		(98,467)	(98,467)
Other Comprehensive Income		-	-
Balance at end of period		373,217	373,217
 2021			
Balance at end of previous reporting period		618,521	618,521
Net Surplus / (Deficit) for Year		(146,837)	(146,837)
Other Comprehensive Income		-	-
Balance at end of period		471,684	471,684

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

LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF CASHFLOWS
for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members		774,281	647,288
Other Receipts		645,966	733,954
Payments		<u>(1,543,464)</u>	<u>(1,548,308)</u>
Net Cash provided by (or used in) Operating Activities	6	(123,217)	(167,066)
 CASH FLOWS FROM INVESTING ACTIVITIES		 <u> </u>	 <u> </u>
Net Cash provided by (or used in) Investing Activities		-	-
 CASH FLOWS FROM FINANCING ACTIVITIES		 <u> </u>	 <u> </u>
Net Cash provided by (or used in) Financing Activities		-	-
 Net Increase (Decrease) in cash held		 <u>(123,217)</u>	 <u>(167,066)</u>
 Cash & cash equivalents at beginning of period		 <u>771,577</u>	 <u>938,643</u>
Cash & cash equivalents at end of period	4	<u>648,360</u>	<u>771,577</u>

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

Limestone Coast Local Government Association

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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 Limestone Coast LGA's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

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

2 The Local Government Reporting Entity

Limestone Coast Local Government Association is incorporated under the SA Local Government Act 1999 and has its principal place of business at Level 1, 9 Bay Road, Mount Gambier, SA, 5290. These financial statements include Limestone Coast Local Government Associations direct operations and all entities through which Limestone Coast Local Government Association controls resources to carry on its functions. In the process of reporting on Limestone Coast Local Government Association as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

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

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

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Limestone Coast Local Government Associations option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

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.

Limestone Coast Local Government Association

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

5 Payables

5.1 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.

5.2 Payments Received in Advance & Deposits

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.

6 Employee Benefits

6.1 Salaries, Wages & Compensated Absences

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

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

Weighted average discount rate	3.56% (2021 0.36%)
Weighted average settlement period	1 year (2021, 1 year)

No accrual is made for sick leave as Limestone Coast Local Government Associations 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 Association does not make payment for untaken sick leave.

7 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.

8 Leases

At the inception of a contract, the Association assesses if the contract is a lease. If there is a lease present, a right of use assets and a corresponding lease liability is recognised by the Association where the Association is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

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

	Notes	2022 \$	2021 \$
NOTE 2: INCOME			
Local Government Council Contributions			
City of Mount Gambier		221,489	181,118
District Council of Grant		96,987	80,329
Wattle Range Council		168,021	134,499
Naracoorte Lucindale Council		122,501	91,565
District Council of Robe		53,157	43,468
Tatiara District Council		94,668	75,874
Kingston District Council		<u>50,560</u>	<u>40,435</u>
Total		807,383	647,288
 (The above includes income for "pass-through" expenditure for RDALC, SACCA and the provision of heritage services.)			
Other Contributions			
LGA SA		<u>42,783</u>	<u>42,591</u>
Total		42,783	42,591
Other Income			
Interest		773	3,648
Sponsorship		2,317	64,364
Participant Contribution		19,563	67,127
Other		<u>19,474</u>	<u>29,799</u>
Total		42,127	164,937
Project Income			
Tourism (Includes SA Tourism Commission payments)		80,927	104,197
Leadership Program		-	38,275
Sports Academy & Star Club (Office of Sport and Rec payments)		126,000	126,000
SACCA		90,935	104,805
SMLC		<u>198,173</u>	<u>153,986</u>
Total		496,035	496,762
Unbudgeted Project Income			
Unbudgeted Project Income		<u>-</u>	<u>12,864</u>
Total		-	12,864

LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

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

	Notes	2022 \$	2021 \$
NOTE 3: Expenditure			
Operating Expenses			
Audit Fees		3,543	3,300
Accounting Fees		24,800	12,500
Computing and IT		33,611	18,302
Rent		20,824	20,824
Insurance		14,450	11,529
Vehicles		63,622	53,750
Chairperson Allowance		8,000	13,591
Travel, Accomodation and Meals		10,574	10,783
Other		33,176	30,917
Total		212,600	175,496
Employee Costs			
Salaries and Wages		573,301	562,507
Workcover		5,346	7,720
Superannuation		55,106	52,821
Leave Provision Movement		28,692	(17,377)
FBT		5,279	13,554
Total		667,725	619,225
(2022 Leave Provision Movement is substantially greater as a result of the recording of Time-Off-In-Leiu and a substantial increase in the present value calculation of LSL as a result 3 employee hitting pro-rata 7 years of service.)			
Project Expenditure			
Tourism		141,951	140,342
Leadership Program		25,722	128,802
Sports Academy & Star Club		95,355	133,375
SACCA		85,235	98,936
SMLC		73,983	44,775
Other		184,225	187,968
Total		606,471	734,196
Unbudgeted Project Expense			
Unbudgeted Project Expense		-	12,864
Total		-	12,864

LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

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

	Notes	2022 \$	2021 \$
NOTE 4: Assets			
Cash and Cash Equivalents			
Cash at Bank		244,638	318,564
Term Deposits		<u>403,723</u>	<u>453,013</u>
Total		648,360	771,577
Trade and Other Receivables			
Trade Debtors		46,259	78,193
Prepaid Wages		-	3,305
Prepayments		19,815	-
Accrued Interest		<u>73</u>	<u>58</u>
Total		66,147	81,556
NOTE 5: Liabilities			
Trade and Other Payables			
Goods and Services		80,387	49,867
Accrued Expenses		3,393	2,747
Other		<u>3,943</u>	<u>1,321</u>
Total		87,723	53,935
Provisions - Current			
Employee Entitlements including On-Costs		<u>89,972</u>	<u>60,313</u>
Total		89,972	60,313
Provisions - Non-Current			
Employee Entitlements including On-Costs		<u>2,737</u>	<u>13,734</u>
Total		2,737	13,734
Other Liabilities			
LC Regional Sport Academy		-	70,000
Substance Misuse LC		88,563	114,737
SA Coastal Councils Alliance		<u>72,295</u>	<u>68,730</u>
Total		160,859	253,467

LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

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

	Notes	2022 \$	2021 \$
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NOTE 6: Reconciliation of 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:

Total cash & equivalent assets	4	<u>648,360</u>	<u>771,577</u>
Balances per Cash Flow Statement		<u>648,360</u>	<u>771,577</u>

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

Net Surplus (Deficit)		(98,467)	(146,837)
Non-cash items in Income Statement			
Net increase (decrease) in unpaid employee benefits		<u>15,357</u>	<u>(7,483)</u>
		(83,111)	(154,320)
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		18,713	(17,006)
Net increase (decrease) in trade & other payables		33,788	(4,513)
Net increase (decrease) in other liabilities		<u>(92,608)</u>	<u>8,773</u>
Net Cash provided by (or used in) operations		<u>(123,217)</u>	<u>(167,066)</u>

(c) Financing Arrangements

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

Corporate Credit Cards	11,057	12,253
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LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

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

NOTE 7: Financial Instruments

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 0.05% and 0.10% (2021: 0.05% and 1.3%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Fees & other charges	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although the association is not materially exposed to any individual debtor, credit risk exposure</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Association.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 7: Financial Instruments (Cont.)

Liquidity Analysis

2022	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
Cash & Equivalents	\$ 648,360	\$ -	\$ -	\$ 648,360	\$ 648,360
Receivables	46,332	-	-	46,332	46,332
Total	694,692	-	-	694,692	694,692
Financial Liabilities					
Payables	67,908	-	-	67,908	67,908
Total	67,908	-	-	67,908	67,908
2021					
	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
Cash & Equivalents	\$ 771,577	\$ -	\$ -	\$ 771,577	\$ 771,577
Receivables	78,251	-	-	78,251	78,251
Total	849,828	-	-	849,828	849,828
Financial Liabilities					
Payables	50,630	-	-	50,630	50,630
Total	50,630	-	-	50,630	50,630

The following interest rates were applicable to Limestone Coast LGA at balance date:

	30 June 2022		30 June 2021	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Term Deposits	0.07%	403,723	0.1%	453,013
		<u>403,723</u>		<u>453,013</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 Limestone Coast Local Government Association.

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 Association is the carrying amount, net of any impairment. Except as detailed in Note 4 in relation to individual classes of receivables, exposure is concentrated within the Limestone Coast LGA 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 Associations 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 Association 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. The Association has a balance of both fixed and variable interest rate investments.

LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

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

NOTE 8: Uniform Presentation of Financial Statements

	2022	2021
Notes	\$	\$
Operating Revenues	1,388,328	1,394,944
Operating Expenses	<u>(1,486,795)</u>	<u>(1,541,781)</u>
Operating Surplus/(Deficit) before Capital Amounts	(98,467)	(146,837)
Less Net Outlays in Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	-	-
Add Back Depreciation Amortisation and Impairment	-	-
Proceeds from Sale of Replaced Assets	<u>-</u>	<u>-</u>
	-	-
Less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	-	-
Amounts received specifically for New and Upgraded Assets	-	-
Proceeds from Sale of Surplus Assets	<u>-</u>	<u>-</u>
	-	-
Net Lending / (Borrowing) for Financial Year	<u>(98,467)</u>	<u>(146,837)</u>

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

Limestone Coast Local Government Association

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

Note 9 – Contingent Liabilities and Contingent Assets

At 30 June 2022, the Association is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in the this financial report.

Note 10 – Capital Commitments

At 30 June 2022, the Association is unaware of any capital or leasing commitments which have not already been recorded elsewhere in the this financial report.

Note 11 – Events after the end of the reporting period

The entity has and continues to be affected by the current COVID-19 pandemic which has seen some impact on the ability to deliver programs and projects.

Subject to the impact from COVID-19 pandemic, the Board is not aware of any other events which have occurred subsequent to balance date which would materially affect the financial statements prepared for the year ended 30 June 2022.

Note 12 – Economic Dependence

Limestone Coast Local Government Association is dependent on the Local Councils within its jurisdiction and other funding bodies for the majority of its revenue used to operate the business. At the date of this report, the Board believe that the Local Councils and other bodies will continue to fund the Association.

Note 13 – Capital Management

The Board controls the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised within tolerable risk parameters. The Board ensure that the overall risk management strategy is in line with this objective. The Board operates under policies approved by the board. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements. The entity's capital consists of financial liabilities supported by financial assets. There has been no changes to the strategy adopted by the Board to control the capital of the entity since the previous financial year.

Note 14 – Related Party Disclosure

The total remuneration paid to key management personnel of Limestone Coast Local Government Association Incorporated during the year was as follows;

	2022	2021
	\$	\$
Short Term employee benefits inc allowances	183,256	170,656
Post Employment Benefits	15,345	14,921

Key management personnel above includes the executive and Board of Management.

The specific banding of key management personnel and Board of management from the Limestone Coast Local Government Association Incorporated during the year was as follows;

\$	2022	2021
Under \$50,000	1	1
\$50,000 to \$100,000	0	0
\$100,001 to \$150,000	0	0
\$150,001 to \$200,000	1	1

Other related parties includes close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Limestone Coast Local Government Association

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

Note 14 – Related Party Disclosure (Cont.)

There were no transactions with other related parties apart from;

- A relative of a KMP owns a business who contract's their services as required to Kingston District Council.

Related Party Entity	Amounts received from Related Party during the Financial Year	Amounts outstanding from Related Party at the end of the financial year
	2022	2022
	\$	\$
City of Mount Gambier	228,489	-
District Council of Grant	96,987	-
Wattle Range Council	168,021	-
Naracoorte Lucindale Council	114,011	-
District Council of Robe	29,856	23,301
Tatiara District Council	94,668	6,792
Kingston District Council	52,258	-
TOTAL	784,290	30,093

HEAD OFFICE

214 Melbourne Street
North Adelaide SA 5006

PO Box 755
North Adelaide SA 5006

T: (08) 8267 4777
www.deannewbery.com.au

Dean Newbery
ABN: 30 164 612 890

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION**

Opinion

We have audited the accompanying financial report of the Limestone Coast Local Government Association (the Authority), which comprises the Statement of Financial Position as at 30 June 2022, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of the Financial Statements.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards.

Basis for Opinion

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

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

Responsibility of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the Authority's financial report in accordance with Australian Accounting Standards, the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and for such controls as Management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

DEAN NEWBERY



JIM KEOGH

Partner

Signed on the 18th day of October 2022,
at 214 Melbourne Street, North Adelaide, South Australia 5006

**Limestone Coast Local Government Association
Annual Financial Statements
for the year ended 30 June 2022**

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Association 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 Association's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Association provide a reasonable assurance that the Association's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Association's accounting and other records.

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Tony Wright
EXECUTIVE OFFICER

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Mayor Erika Vickery
President

Date: 10/13/2022

**Limestone Coast Local Government Association
Annual Financial Statements
for the year ended 30 June 2022**

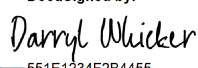
CERTIFICATION OF AUDITOR INDEPENDENCE

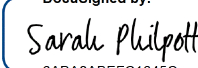
To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Limestone Coast Local Government Association for the year ended 30 June 2022, the Association's Auditor, Dean Newberry & Partners, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

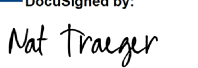
This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

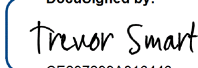
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President
LC Local Government Association

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Chief Executive Officer
District Council of Grant

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Chief Executive Officer
City of Mount Gambier

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Chief Executive Officer
Kingston District Council

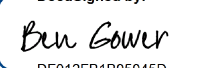
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Chief Executive Officer
Naracoorte Lucindale Council

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Chief Executive Officer
District Council of Robe

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Chief Executive Officer
Tatiara District Council

DocuSigned by:

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Chief Executive Officer
Wattle Range Council

Date: 10/13/2022

HEAD OFFICE

214 Melbourne Street
North Adelaide SA 5006

PO Box 755
North Adelaide SA 5006

T: (08) 8267 4777
www.deannewbery.com.au

Dean Newbery
ABN: 30 164 612 890

Auditor's Independence Declaration under Section 22 of the Local Government (Financial Management) Regulations 2011 to the Limestone Coast Local Government Association

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

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



JIM KEOGH
PARTNER

Signed on the 18th day of October 2022,
at 214 Melbourne Street, North Adelaide, South Australia 5006

ACKNOWLEDGEMENTS

LCLGA acknowledges the Constituent Council Mayors, Elected Members, Chief Executive Officers, Council staff and LCLGA staff for their support of the regional role of the Association.

During 2021/22, the LCLGA Board engaged a small team to implement a diverse and comprehensive regional work plan: Tony Wright (Executive Officer), Michaela Bell (Program & Policy Coordinator), Tony Elletson (LCLGA Star Club Field Officer & Limestone Coast Regional Sporting Academy), Biddie Shearing (Destination Development Manager Manager), Ali Auld (Leadership Program), Sophie Bouchier (Substance Misuse Program) and Paul Manfrin (Corporate Services Officer).

The Local Government Association SA has continued to provide strong support to LCLGA and its members throughout the year. LCLGA acknowledges the contributions of SAROC members and the many LGA SA staff that have supported LCLGA throughout the year.

LCLGA continues to enjoy a close working relationship with RDALC Board members and staff.

Tony Wright
Executive Officer





Principal Office	
Address	DeGaris Place, Naracoorte SA 5271
Email	council@nlc.sa.gov.au
Website	www.naracoortelucindale.sa.gov.au
Phone	(08) 8721 1100
YourSay	yoursay.naracoortelucindale.sa.gov.au
Facebook	/naracoortelucindalecouncil



Naracoorte Lucindale Council

Better by Nature