



# ANNUAL REPORT 2019



District Council of  
**ORROROO  
CARRIETON**

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## INTRODUCTION

### FROM THE MAYOR

The 2018/19 financial year was, on reflection, one of many changes and challenges within Council and the community.

Our community has battled through another tough year, this one possibly the driest in living memory. Productivity is down, and yet as a community we continue to push ahead and support each other.

Council managed through significant leadership change, and local government elections in 2018. Mid-year saw us establish our new membership, and welcome our new CEO. Between March and June we delivered one million dollars' worth of drought assistance projects in addition to our core services. I am proud of the work achieved through the extended period.

Sound corporate governance and financial management remains at the core of our operations. The stable financial position we are currently in, is a testament to the significant and invaluable work invested in our long term financial strategy.

I am consistently impressed by the achievements of our staff and Council as we continue to find ways to deliver more efficiently. The adaptability and commitment of our staff is a credit to them.

It is with pleasure that on behalf of elected members and staff, I present to you the 2018/19 Annual Report of the District Council of Orroroo Carrieton.



Kathie Bowman, Mayor



District Council of  
**ORROROO  
CARRIETON**



## DISTRICT OVERVIEW

Located approximately 3 hours' drive North of Adelaide the district is home to two major towns, Orroroo and Carrieton, with smaller farm townships and settlements of Pekina, Eurelia, Black Rock, Morchard, Yatina and Johnburgh.

Orroroo has a range of essential services including a major Hospital, Health Centre, Area School, Community Library, Aged Care facility, and Sporting facilities. The town centre hosts a range of business which support the district including a post office, supermarket, pharmacy, newsagent, green grocer, hardware, hotels and cafes.

Significant in South Australia's history, the district is home to the National Trust of Australia's heritage icon 'Goyder's Line' – where George Woodroffe Goyder mapped a line of demarcation to signify the end of the cereal-growing country and beginning of the pastoral zone.

The primary commerce in the region is agriculture, with the predominant agricultural commodity being food (cereal grains, legumes, meat) and wool on relatively large holdings. Situated at the base of the Flinders Ranges the district is also a popular tourism destination for visitors, retaining much of its unique 1880's charm and heritage.

# DISTRICT COUNCIL OF ORROROO CARRIETON

## Our Motto

Strength from Resilience

## Our Vision

To ensure a sustainable future by building on the community's strength and resilience.

## Our Mission

To achieve and maintain a sustainable Council that has the ongoing capacity to meet the community needs and that advocates for the improvement of the community.

## Our Key Focus

1. Achieve and maintain financial sustainability
2. Enhance and maintain good governance principles and legislative compliance
3. Deliver key strategic projects
4. Maintain services, infrastructure and facilities that meet the community's needs
5. Advocate for the retention of essential services
6. Upgrade of the Orroroo water supply
7. Investigate and implement shared services with neighbouring and regional Councils



Council elected November 2018. From right: Cr Ralph Goehring, Dylan Strong (CEO), Cr Kathie Bowman (Mayor), Cr Grant Chapman (Deputy Mayor), Cr Joy Ford, Cr Lorna Schmidt.  
Absent: Cr Colin Parkyn.

Acknowledgement and thanks to former Councillors Malcolm Byerlee and Ahmad Ramadan for their service prior to the 2018 LGA elections.

# ACHIEVEMENTS 2018/19

This list represents some of the significant outcomes achieved in the past year. The Orroroo Carrieton district benefited in late 2018/19 from the support of the Australian Government's Drought Communities Programme – Extension. Without this support a number of the community infrastructure projects would not have been possible.

## **Governance, Administration and Compliance**

- ✓ Properties identified to be transferred to Council for non-payment of rates under Section 184 and Section 185
- ✓ Continued review of Council policies ensuring legislative compliance
- ✓ Partnered Peterborough & Flinders Ranges Councils for WHS support
- ✓ Coordination of the local government elections 2018

## **Community & Recreation Services**

- ✓ Supported key community events including Australia Day Celebration, Remembrance Day, ANZAC service, and the Christmas Pageant
- ✓ In collaboration with the Orroroo Caravan Park installed improved signage at the RV and Motorhome dump point in Orroroo
- ✓ Repairs to the Carrieton Institute including stone wall patching, and building fire safety compliance equipment installation
- ✓ Upgraded Orroroo Swimming Pool including painting and line marking
- ✓ Installation of solar lighting on the Carrieton entrance signage
- ✓ Redevelopment of the Orroroo RSL building

## **Cultural**

- ✓ Orroroo Memorial Hall refurbishment including disability access, air-conditioning, energy efficient lighting and sound system
- ✓ Upgraded and repaired the Pekina Irrigation Scheme monument in the Orroroo Main Street, including new solar power system

## **Economic Development**

- ✓ Refurbished Visitor Information Centre in the Orroroo Memorial Hall including disability access, improved information displays and signage
- ✓ Essential repairs for the Carrieton Community Store including reroofing, painting, ceiling replacement and verandah repairs

## **Environment**

- ✓ Completion of Orroroo Community Wastewater Management System
- ✓ Provision of Trees for Life trees and shrubs to residents & landowners
- ✓ Upgrade and repair of Orroroo storm water harvesting system
- ✓ Installation of solar power systems on nine community facilities
- ✓ Improved water security by installation six emergency water tanks

# ACHIEVEMENTS 2018/19

## Regulatory Services

- ✓ Partnered Port Pirie RC for shared Environmental Health Officer
- ✓ Training of operations staff in dog management and certification of operations staff in community wastewater management systems
- ✓ Biannual Building and Fire Safety meeting held in the district benefiting multiple businesses responsible for public safety
- ✓ Successful Drum Muster (estimated 1,000)

## Financial and Asset Management

- ✓ Continued collection of outstanding rate debtors
- ✓ Continued review of all operations to explore efficiencies, including best practice models for the efficient and cost effective delivery of services
- ✓ Finalised internal control systems to ensure compliance with accounting principles and Auditor requirements
- ✓ Ongoing review and development of financial management policies, procedures and systems

## Infrastructure and Services

- ✓ Practical completion of the Southern Flinders Business Services Growth Strategy Orroroo Community Waste Water Management Scheme.
- ✓ Continued review of standards and service levels for the efficient, effective and sustainable delivery of all Council's services and management of assets
- ✓ Reconstruct 2.2 km of Price Maurice road (Stage 2) resealed using Special Local Roads funding complete May 2019
- ✓ Re-sheeting:

Road Name	Distance Completed metres	Road Name	Distance Completed metres
Johnburgh Road	2500	East Tce - Carrieton	100
Pamatta Road	2100	Eurelia Streets	600
Cook Road	2600	Eurelia Cemetery Road	1200
Minburra Road	950	Seventh Street Orroroo	200
North Paratoo Road	3000	Lions Park road	350
Haynes Road	1200	Giant Gum Tree Road	400
Slaughterhouse Road	420	Tank Hill Road	400
Yatina Streets South, 5 <sup>th</sup> , 7 <sup>th</sup> , 4 <sup>th</sup> , 2 <sup>nd</sup>	1150	Cemetery Road Orroroo	500
Morchard Fourth Street	150	Wilmington Road	3100
No name road Morchard (Laskey)	700	Pekina Black Rock Road	2500

# GOVERNANCE AND ADMINISTRATION

## Access to Council Meetings, Committees and Documents

The District Council of Ororoo Carrieton supports the principle that the procedures to be observed at a meeting of Council or a Council Committee should contribute to open, transparent and informed decision-making.

However, Council also recognises that on a limited number of occasions, it may be necessary in the broader community interest to restrict public access to discussions or documents in some particular circumstances.

## Council and Council Committee Meeting Timeframes

The Council has determined the following timeframes for its range of meetings after taking into account a requirement that it must meet at least once during the month, but not on a Sunday or public holiday.

## Council Meetings

Ordinary Council Meetings are held on the fourth Wednesday of each month. The Ordinary Meetings are held in the Council Chambers at the Town Hall and commence at 9.00am.

## Ordinary Council Meetings

Elected Members Council & Committee Meeting Attendances 2018/2019 Financial Year		Or K Bowman	Or G Chapman	Or M Byerlee	Or C Parkyn	Or R Goehring	Or A Ramadan	Or J Ford	Or Schmidt	Totals		
		Chairman	Deputy Chairman							P	A	Ab
<b>Ordinary Meetings of Council</b>												
25 July	2018	P	P	P	P	P	P	P		7		
22 August	2018	P	P	P	P	A	P	P		6	1	
26 September	2018	P	P	P	P	P	P	P		7		
24 October	2018	P	P	P	P	P	A	P		6	1	
21 November	2018	P	P	P	P	P	P	P		7		
19 December	2018	P	P		P	A		P	P	5	1	
23 January	2019	P	P		P	A		P	P	5	1	
27 February	2019	P	P		P	P		P	P	6		
27 March	2019	P	P		P	P		P	P	6		
17 April	2019	P	P		P	A		P	P	5	1	
22 May	2019	P	P		A	P		P	P	5	1	
26 June	2019	P	P		P	P		P	P	4		
<b>P</b>	Present	<b>12</b>	<b>12</b>	<b>5</b>	<b>11</b>	<b>8</b>	<b>4</b>	<b>12</b>	<b>7</b>	<b>69</b>		
<b>A</b>	Apology				<b>1</b>	<b>4</b>	<b>1</b>				<b>6</b>	
<b>Ab</b>	Absent without Apology											
<b>GRAND TOTAL</b>		<b>12</b>	<b>12</b>	<b>5</b>	<b>12</b>	<b>12</b>	<b>5</b>	<b>12</b>	<b>7</b>			

## Special Council Meetings

Although it is infrequent, there are provisions in the Local Government Act 1999 whereby Special Council Meetings can be held at any time (pursuant to Section 82 of the Act). The following Special Meetings of Council were held during 2018-2019:

Elected Members Council & Committee Meeting Attendances 2018/2019 Financial Year		Cr K Bowman Chairman	Cr G Chapman Deputy Chairman	Cr M Byerlee	Cr C Parkyn	Cr R Goehring	Cr A Ramadan	Cr J Ford	Cr Schmidt	Totals		
										P	A	Ab
<b>Special Meetings of Council</b>												
11 July	2018	P	P	A	P	A	P	P		5	2	
13 August	2018	P	P	P	P	P	P	A		6	1	
9 November	2018	P	P	P	A	P	Ab	P		5	1	
4 December	2018	P	P		P	A		P	P	5	1	
19 June	2019	P	P		P	P		P	A	5	1	
P	Present	5	5	2	4	3	2	4	1	26		
A	Apology			1	1	2		1	1		6	
Ab	Absent without Apology						1					
<b>GRAND TOTAL</b>		<b>5</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>2</b>			

## Community Committees & Advisory Committees

The Council has a number of Community & Advisory Committees, which may consist of persons other than Councillors and which may meet at different locations and at different times, depending upon the particular circumstances.

The Chief Executive Officer has the responsibility for determining the timing and places for Community & Advisory Committees having regard to availability of Committee members and the nature and purpose of the particular Committee.

Elected Members Council & Committee Meeting Attendances 2018/2019 Financial Year		Cr K Bowman Chairman	Cr G Chapman Deputy Chairman	Cr M Byerlee	Cr C Parkyn	Cr R Goehring	Cr A Ramadan	Cr J Ford	Cr Schmidt	Totals		
										P	A	Ab
<b>Works &amp; Engineering Committee</b>												
4 July	2018	P	P	P		A				3	1	
15 August	2018	P	P	P		P				4		
12 September	2018	P	P	P		P				4		
20 February	2019	A	P			A			P	2	2	
20 March	2019	P	P			A			P	3	1	
P	Present	4	5	3		2			2	16		
A	Apology	1				3					4	
Ab	Absent without Apology											
<b>GRAND TOTAL</b>		<b>5</b>	<b>5</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>0</b>		<b>2</b>			

Elected Members Council & Committee Meeting Attendances 2018/2019 Financial Year		Cr K Bowman Chairman	Cr G Chapman Deputy Chairman	Cr M Byerlee	Cr C Parkyn	Cr R Goehring	Cr A Ramadan	Cr J Ford	Cr Schmidt	Totals		
										P	A	Ab
<b>Audit Committee</b>												
28 November	2018	P	P					P		3		
16 April	2019	P	P					A		2	1	
19 June	2019	P	P					P		3		
P	Present	3	3					2		8		
A	Apology							1			1	
Ab	Absent without Apology											1
<b>GRAND TOTAL</b>		3	3	0	0	0	0	3	0			1

Elected Members Council & Committee Meeting Attendances 2018/2019 Financial Year		Cr K Bowman Chairman	Cr G Chapman Deputy Chairman	Cr M Byerlee	Cr C Parkyn	Cr R Goehring	Cr A Ramadan	Cr J Ford	Cr Schmidt	Totals		
										P	A	Ab
<b>Governance &amp; Corporate Services Committee</b>												
No meetings held during 2018/2019												
P	Present									1		
A	Apology										1	
Ab	Absent without Apology											1
<b>GRAND TOTAL</b>		0	0	0	0	0	0	0	0			2

Elected Members Council & Committee Meeting Attendances 2017/2018 Financial Year		Cr K Bowman Chairman	Cr G Chapman Deputy Chairman	Cr M Byerlee	Cr C Parkyn	Cr R Goehring	Cr A Ramadan	Cr J Ford	Cr Schmidt	Totals		
										P	A	Ab
<b>Orroroo Lifestyle Units Advisory Committee</b>												
28 August	2018	P			P			P		3		
9 January	2019	P			P			P		3		
27 March	2019	P			P			P		3		
3 June	2019	P			A			P		2	1	
P	Present	4			3			4		11		
A	Apology				1						1	
Ab	Absent without Apology											1
<b>GRAND TOTAL</b>		4	0	0	4	0	0	4	0			2

## Audit Committee

This report presents a summary of the District Council of Orroroo Carrieton Audit Committee's activities undertaken and recommendations made during the 2018/2019 financial year.

### Conduct of Meetings

The Committee met on three occasions during the period 1 July 2018 to 30 June 2019 with the following attendance:

Committee Members	Meeting Dates		
	28/11/2019	16/4/2019	19/6/2019
John Comrie (Chairperson & Independent Member)	✓		
Ian Swan (Chairperson & Independent Member)	✓	✓	✓
Cr Kathie Bowman (Mayor)	✓	✓	✓
Cr Grant Chapman (Deputy Mayor)	✓	✓	✓
Cr Joy Ford	✓	x	✓

Committee note that it is required to meet a minimum of four times per year which strictly speaking was not achieved. It further notes however that a meeting was held on 6<sup>th</sup> June 2018 two weeks before the beginning of the 2018-2019 financial year which considered Annual Business Plan & Budget for 2018/2019. Accordingly the Committee considers that the intention of the four meeting requirement has been satisfied, particularly given that all work planned and spread across review at four audit committee meetings was satisfactorily addressed.

### Audit Committee Achievements

The following table summarises the activities and principal issues addressed by the Committee during 2018/2019:

Principal Issues Examined	Status	Recommendations to Council
Review of Annual Financial Reports for year ended 30 June 2018	Completed	The Audit Committee endorsed the Financial Report for 2018 with the reports recommended to Council for adoption.
Review of Financial Controls Audit – 2017/2018 Year	Completed	The Audit Committee reviewed the Financial Controls Review – Interim Management Letter and required update reports provided on the implementation of the recommendations and actions for the purpose of achieving an unqualified audit for the 2017/2018 year.
Review 2018/2019 Draft Annual Business Plan & Budget	Completed	The Audit Committee considered the Draft Annual Business Plan and Budget for the 2018/2019 year at its meeting held in July 2018. It was recommended to Council that the Plan & Budget be adopted subject to public consultation.

Review of Draft 2017-2027 Asset Management Plan	Completed	The Audit Committee considered the 2017-2027 updated Asset Management Plan, and recommended it to Council for endorsement.
Review of Budget 2018/2019	Completed	The Audit Committee considered quarterly budget reviews which they referred to Council for adoption.
Review of Risk Evaluation KPI Audit 2018	Completed	The Audit Committee considered the Action Plan addressing non-conformance and proposed actions which was received and noted.
Review 2019/2020 Draft Annual Business Plan & Budget	Completed	The Audit Committee considered the Draft Annual Business Plan and Budget for the 2019/2020 year at its meeting held in June 2019. It was recommended to Council that the Plan & Budget be endorsed for community consultation.

Following the 2018 Council elections Mr Ian Swan replaced former independent Chairman Mr John Comrie. The Audit Committee operated effectively during 2018/19. It fulfilled Local Government Act requirements, Council's terms of reference for it and its own work program. It has assisted Council in making steady progress in improving its financial governance and ongoing financial sustainability.

### **Circumstances where the Public can be excluded from a Meeting**

A Council or Council Committee may order that the public be excluded from attendance at any part of a meeting as is necessary to receive, discuss or consider in confidence.

The following table is a summary of the items that were discussed during 2018/2019:

Date	Agenda Item No	Description	Local Government Act Section	Motion No	Withhold Period
19 <sup>th</sup> December 2018	16.1	Truck Tender	90(2) 90(3)(k) 91(7)	031/1218	Until purchase confirmed and a purchase order placed
27 <sup>th</sup> March 2019	16.1	Drought Communities Programme - Extension	90(2) 90(3)(k) 91(7)	024/0319	Until relevant purchasing has been confirmed and purchase orders placed.

## **Elected Members**

### **Elected Members Training and Development**

The Council Members Training and Development Policy was last reviewed and updated at its June 2016 Council Meeting. The policy has been developed in accordance with Section 80A of the Local Government Act 1999.

The District Council of Orroroo Carrieton is committed to providing training and development opportunities for its Council Members, including the mandatory training requirements under the LGA Training Standards, and recognises its responsibility to develop and adopt a policy for this purpose under section 80A of the *Local Government Act 1999* (“the Act”).

Following the amendments to the Act and *the Local Government (General) Regulations 2013* (“the Regulations”) in November 2014 with regards to training requirements, this Policy incorporates the new requirements for Council Members to undertake mandatory training within the first year of election to office, which complies with the *LGA Training Standards* as defined in regulation 8AA of the Regulations.

All training undertaken by elected members will be recorded in the Council Allowances and Benefits Register which will be updated as required to reflect attendances. Following the local government elections in November 2018, all elected members undertook finance and governance training provided by Norman Waterhouse Lawyers.

In May 2019, the Mayor and Deputy Mayor attend a joint media training session with The Flinders Ranges Council.

### Elected Members Allowance

The Local Government Act 1999 - Schedule 4 requires information about Allowances paid to Elected Members and Council Committee Members [clause 1 (f)] to be included in the Annual Report of Council.

Elected Members Allowances are determined in accordance with the Local Government Act 1999 and the Local Government (member’s allowances and benefits) Regulations 2010. The Council is classified as a Group 5 Council.

Group 5 Council	2018/2019
Chairman Allowance	\$26,000
Deputy Chairman Allowances	\$8,125
Councillors Allowances	\$6,500

The following Elected Members Allowances were paid during the 2018/2019 year.

Councillor Allowances	Councillor Allowances	Travelling Allowances
Cr Colin Parkyn	\$6,360.75	-
Cr Malcolm Byerlee	\$1,485.75	-
Cr Kathleen Bowman	\$25,443.00	\$1,856.64
Cr Grant Chapman	\$7,951.00	\$278.80
Cr Joylene Ford	\$6,360.75	-
Cr Ahmad Ramadan	\$1,485.75	-
Cr Ralph Goehring	\$6,360.75	-
Cr Lorna Schmidt	\$4,875.00	-
<b>Total 2018/2019</b>	<b>\$60,322.75</b>	<b>\$2,135.44</b>

The former Independent Chairman of the Audit Committee, John Comrie, was paid a total of \$1,320 during 2018/2019. The current Independent Chairman of the Audit Committee, Mr Ian Swan, was paid a total of \$990 during 2018/2019.

### **Elected Member Discretionary Allowance**

An elected member shall be entitled to seek reimbursement for any Discretionary Expenses associated with Council affairs by the completion of a report for consideration by the Council.

No reimbursements were provided during 2018/2019 year.

### **Elector Representation**

In accordance with the Local Government Act 1999 – Schedule 4 ("the Act") requires Council to make a statement of-

- i. The council's representation quota; and
- ii. The average representation quota for councils of a similar size and type (taking into account various factors prescribed by the regulations); and
- iii. When the council next intends to conduct a review under Chapter 3 Part 1 Division 2; and
- iv. The procedures that is available under Chapter 3 for electors to make submissions on representation under this Act;

The District Council of Orroroo Carrieton last completed an Elector Representation Review in 2017. An elector representation review is required to be undertaken by a Council at intervals as determined by the Minister. The current required interval is at least once in every eight (8) years therefore the next review for the District Council of Orroroo Carrieton shall occur no later than 2025.

### **Strategic Management Plans**

Council completed its Strategic and Community Management Plan, Long Term Financial Management Plan and Asset Management Plan during 2017. Adoption of the Plans was completed in July 2017.

The following summarises the key principles of the Plans:

#### **Strategic And Community Management Plan 2017 - 2022**

The Plan is underpinned by the following Motto, Vision, Mission, Key Focus and Key Strategic Principles:

##### **Our Motto**

Strength from Resilience

##### **Our Vision**

To ensure a sustainable future by building on the community's strength and resilience.

##### **Our Mission**

To achieve and maintain a sustainable Council that has the ongoing capacity to meet the community needs and that advocates for the improvement of the community.

## Our Key Focus

The following are key focus areas during the term of the Strategic Plan, which are to:

1. Achieve and maintain financial sustainability
2. Enhance and maintain good governance principles and legislative compliance
3. Deliver key strategic projects
4. Maintain services, infrastructure and facilities that meet the community's needs
5. Advocate for the retention of essential services
6. Upgrade of the Orroroo water supply
7. Investigate and implement shared services with neighbouring and regional Councils

## Our Role

The Council depending on the issue or project will have the following varying role:

1. **Provider/Implementer:-** Where it is determined that the legislative requirement, service or infrastructure is identified as the business and/or role of Council in accordance with Council's services and standards.
2. **Advocate/Facilitator:-** Where the role of Council is identified to advocate and lobby Governments and facilitate the provision of services, infrastructure, development, funding, etc to improve the general wellbeing of the community.
3. **Supporter:-** Where there is a need to support Local Groups, Clubs and Organisations with events, funding submissions, development, sponsorship both cash and in-kind, and general governance to ensure long term sustainability.
4. **Partner:-** Where there is an identified need to partner with Government, Councils, Private Sector, or Not For Profit or Community Organisations for the delivery of infrastructure, development and/or provision of services, in accordance with the Key Strategic Principles.

## Our Key Strategic Principles

### 1. Economic and Tourism

- 1.1 Continued provision of infrastructure to support the agricultural sector, business operations and community needs
- 1.2 Encourage, support, facilitate and partner to ensure residential, industrial, business and commercial development to achieve growth outcomes
- 1.3 Provision of infrastructure to support tourism and economic development initiatives and investment

### 2. Social and Community

- 2.1 Support community organisations and events to ensure sustainability and good governance, and maintain local history and heritage
- 2.2 Maintain infrastructure, facilities and services to ensure and support accessibility to essential services and community living options that support community well being
- 2.3 Stabilise and increase population and employment by encouraging business investment and growth; maintaining and developing essential services, and developing and prompting affordable residential living

### 3. Environmental

- 3.1 Reduced environmental impact and preservation of natural environment via energy efficiency strategies, hazard reduction and sound environmental policies and practices
- 3.2 Improved waste management, recycling and reuse practices in accordance with Legislative requirements and Government targets
- 3.3 Increase infrastructure to maximise and increase efficiency of stormwater harvesting and reuse

### 4. Governance, Finance and Advocacy

- 4.1 Achieve and maintain long term financial sustainability by implementing sound financial management policies, controls, reporting and management plans, and timely asset replacement
- 4.2 Achieve and maintain legislative compliance via sound policy and procedures
- 4.3 Ensure sound governance, leadership, advocacy and organisational development via sound and researched decision making, policies and procedures; training and development, and WHS and risk management

## Long Term Financial Management Plan and Asset Management Plan

The purpose of the Long-Term Financial Plan (LTFP) is to express, in financial terms, the activities that the District Council of Orroroo Carrieton proposes to undertake over the medium to longer term to achieve its stated objectives as outlined in its Strategic Management Plan.

It is a guide for future action based on the longer-term impact of revenue and expenditure proposals. The aggregation of future intended outlays and anticipated revenues enables the accumulating overall financial implications to be readily identified and if warranted, for proposed future activities to be revised.

Long-Term Financial Plans are particularly important for local governments as they are responsible for managing a high level of long-lived assets relative to their income base. A council may have long-periods with modest levels of asset renewal requirements and then other periods when very significant outlays are necessary. All councils need to generate revenue in an equitable manner over time and ensure they have capacity to finance peaks in asset management and other outlays, including by way of borrowings where necessary.

The preparation of a LTFP generates improved information to guide decisions about the mix and timing of outlays on operating activities and additional assets and the funding implications of these. Without a soundly based LTFP, an organisation with significant asset management responsibilities is unlikely to have sufficient data to determine sustainable service levels and affordable asset stockholding strategies, appropriate revenue targets or optimal treasury management.

Following public consultation, Council adopted its Long Term Finance Plan 2017-2027 at its Meeting held on 26<sup>th</sup> July 2017. The plan is due for comprehensive review in 2019/2020.



## Community Lands Register & Management Plans

Pursuant to Section 196 of the Local Government Act 1999, Council has prepared and adopted Community Lands Register and Management Plans for the following categories of land:

- Recreation reserves
- Cemeteries
- Development Parklands
- Rubbish Dumps
- Vacant Land
- Council Houses
- Airstrips / aerodromes

The Plans were adopted at the Ordinary Council Meeting in July 2007 and were last reviewed in June 2013. They are now overdue and will be scheduled for review during the 2019/2020 year.

## Internal Review of Council Decisions

The District Council of Orroroo Carrieton is committed to transparent decision-making processes, and to providing access to a fair and objective procedure for the internal review of decisions.

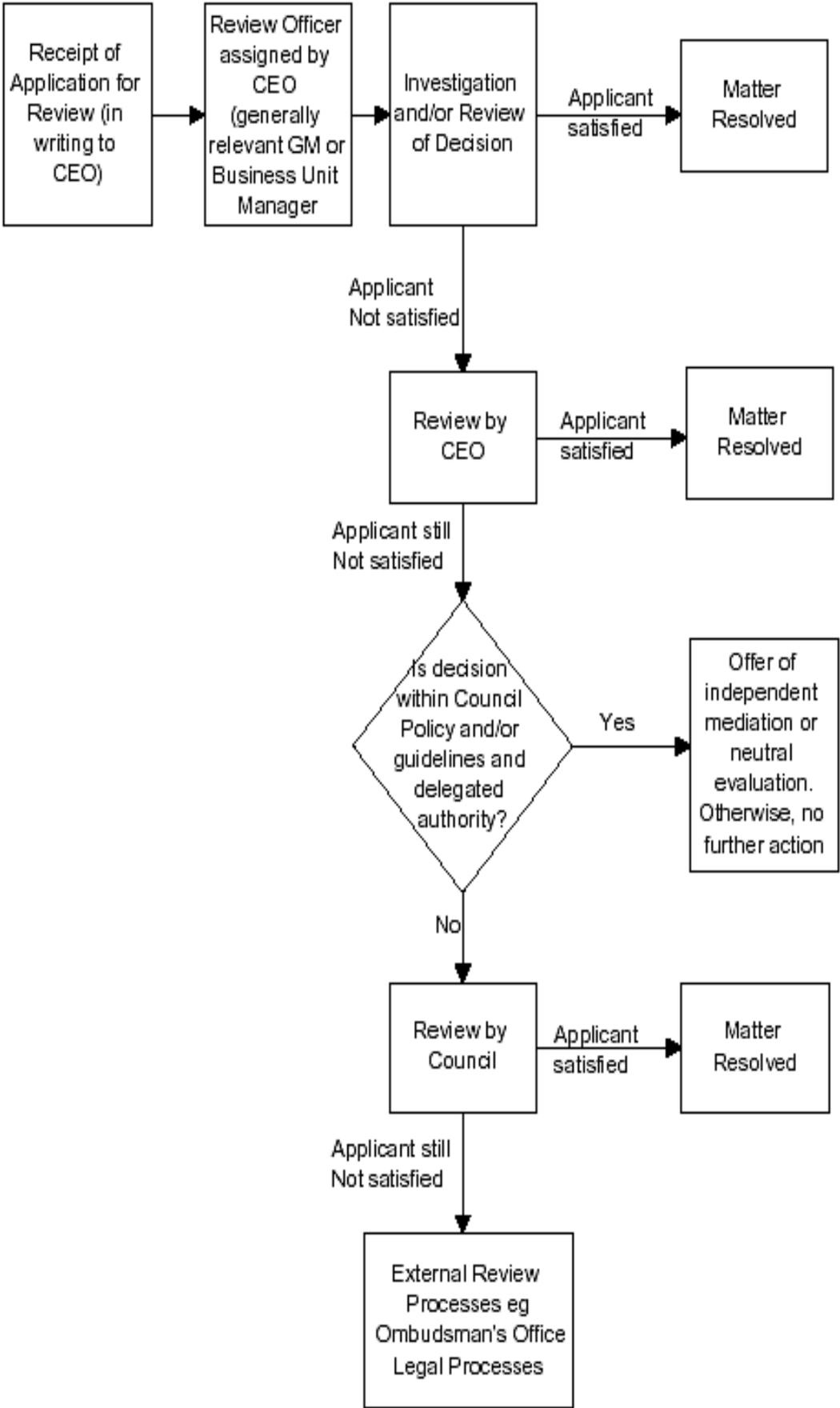
Grievances may arise as a result of dissatisfaction with a decision about a policy, procedure, service or fee. All attempts will be made to resolve grievances quickly and efficiently, without the need for formal applications for review to be lodged. Sometimes this cannot be achieved. Council's Internal Review of Council Decisions Policy provides guidance for dealing with formal requests for internal review of decisions of Council, its employees, and other people acting on behalf of the Council.

Dealing with grievances at the local level is the most effective way of resolving matters quickly. Applicants for review of decisions will be encouraged to participate in the review handling process co-operatively. However, this will not negate citizens' rights to seek external review through the State Ombudsman, other legal appeal processes, or the Courts at any time during the internal review process.

The Council's Internal Review of Council Decisions Policy, has been adopted in accordance with Section 270 of the Act. This policy was formally reviewed by Council on 22<sup>nd</sup> June 2016 and is one aspect of Council's customer focused approach to service delivery. It provides a further opportunity to review the way Council provides services to the community, and to identify areas for improvement.

The diagram (on the following page) demonstrates the review processes available to the applicant for the review of Council decisions:

During 2018-2019 reporting year, Council did not receive any applications.



## National Competition Policy

Pursuant to the Government Business Enterprises (Competition) Act 1996 Council has no report to make as no activities were conducted in Category 1 or 2 activities during the 2018-2019 financial year.

Council does not operate any business activity subject to the application of Policy principles.

## Procurement - Competitive Tender and Local Purchasing

The Council has reviewed its procurement processes and the Procurement Policy was reviewed and adopted in May 2019 pursuant to the Ombudsman Act 1972, Local Government Act 1999 and Work Health and Safety Act 2012.

Council's Procurement Policy has been applied in the purchase of all goods and services including items of a capital nature during the reporting year. Wherever possible the use of local suppliers for the purchase of goods and services is given due consideration provided the specification and other prerequisites meet Council's requirements.

Council did exercise discretion during 2018/2019 with its Procurement Policy when engaging contractors and suppliers required with respect to the delivery of the Drought Communities Programme – Extension due to the tight timeframes required to complete the projects.

Services that were contracted out or subject to a competitive tender process in 2018/19 included:

Civil equipment hire	Building maintenance
Vehicle & Plant acquisitions	Printing & Distribution
Cleaning services	Waste collection
Tree removals	Landfill management
Fire & Emergency Equipment testing	Waste water removal
Engineering supervision	Environmental health services
Engineering design	Public lighting
Asset data maintenance	Accounting services
Road construction	Auditing
Development/building assessment	I/T Management
Price Maurice Road stage 2 upgrade	Hygiene services
Grave excavation	Fuel supplies
Recycling	

## By-Laws

Pursuant to section 249(7) of the Local Government Act 1999, notice was given that at its meeting on 25<sup>th</sup> May 2016, the Council adopted the following by-laws:

1. Permits and Penalties By-law No. 1 of 2016;
2. Moveable Signs By-law No. 2 of 2016;
3. Local Government Land By-law No. 3 of 2016;
4. Roads By-law No. 4 of 2016;
5. Dogs By-law No. 5 of 2016;
6. Cats By-law No. 6 of 2016; and
7. Waste Management By-Law No. 7 of 2016

Copies of the By-laws are available for review during ordinary office hours at the Council's office located at 17 Second Street, Orroroo SA, and on the Council's website <http://www.orraroo.sa.gov.au>.

The By-laws commence operation in accordance with section 249(5) of the Local Government Act 1999, four months after the day on which they are published in the Government Gazette. Publication date was 2<sup>nd</sup> June 2016 therefore operation date was 2<sup>nd</sup> October 2016.

## Council Policies

Listed below are the various policies or codes either required by the Local Government Act 1999 or other Acts or agreed to by Council:

Document Title	Version #	Last Reviewed	Date Set for Review
Building & Swimming Pool Inspection Policy	2.0	11/09/2012	2018
Burial & Cremation Act 2013 Policy	1.0	9/06/2015	June 2017
Caretaker Policy		28/03/2018	March 2022
Code of Conduct - Council Employees		NA	NA
Code of Conduct - Council Members		NA	NA
Code of Conduct - Volunteers		New	2019
Code of Practice - Access to Council & Committee Meetings & Documents		New	2019
Code of Practice - Meeting Procedure		New	2019
Complaints Handling Procedure	1.0	26/10/2016	Oct-18
Complaints Policy	1.0	26/10/2016	Oct-18
Council Members - Allowances & Benefits		New	2019
Council Members - Records Management Policy	1.0	26/10/2016	Oct-18
Council Members - Training & Development Policy	4.0	22/06/2016	July 17
Debtor Management Policy	1.0	22/02/2017	Feb-19
Disposal of Land & Assets Policy	2.0	23/01/2019	Jan 2022
Elected Members Resignation - Supplementary Election Policy	3.0	21/11/2018	Nov 2022
Fees & Charges Policy		27/06/2018	June 2019
Fraud & Corruption Prevention Policy	1.0	26/10/2016	Oct-18
Freedom of Information		8/07/2014	2018
Goyder's Line Gazette Editorial Policy	3.0	27/09/2017	Sep-20
Induction for New Council Policy		New	2019
Informal Gatherings	1.0	22/06/2016	Nov 2018
Interaction of the Development FOI & Copyright Acts Policy		New	2019
Internal Controls Policy		14/01/2014	2019
Internal Review of a Council Decision Policy & Procedure	6.0	22/06/2016	June 2019
Leases, Licences & Permits Policy		New	2019
Order Making Policy		8/10/2013	2019
Procurement Policy	2.0	22/05/2019	May 2021

Prudential Management Policy	2.0	26/10/2016	Oct-18
Public Consultation Policy	4.0	22/06/2016	June 2019
Rating Policy		New	2020
Records Management Policy - Staff	7.0	26/10/2016	Oct-18
Requests for Services Under Sect 270 Policy		New	2019
Requests for Services Under Sect 270 Procedure		New	2019
Risk Management Policy		8/07/2014	2019
Road & Public Place Name Policy		New	2019

## Functions of the Council

In keeping with the legislative requirements the Council makes decisions which direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken, and the resources which are to be made available to undertake such works and services.

Decisions are also made to determine whether or not approvals are to be granted for applications from residents for various forms of development.

## Services for the Community

Council makes decisions on policy issues relating to services that are provided for members of the public. These services currently include:

Advocate	Parks and Reserves
Cemeteries	Playground Equipment
Civic Affairs – Australia Day Ceremonies, Remembrance & Anzac Days, Australian Citizenship ceremonies	Public Conveniences
Community & Strategic Planning	Public Seating
Community Bus	Public Swimming Pools
Community & tourist information	Recreational / Sporting Facilities
Community Library	Refuse Collection and Disposal
Community transport facilitator	Roads, Footpaths and Kerbing
Development Controls	School Crossings
Disaster responder	On-site Wastewater Management
Dog Control	Recycler
Emergency Services	Stormwater Management
Employer	Street Beautification
Environmental Health Matters	Street Closures for community events
Fire Protection and Prevention	Street Lighting
Flood Protection and Prevention	Street Sweeping
Heritage Preservation	Street Trees
Immunisation Programs	Tourism & Economic Development
Litter Bins	Traffic Control
Memorial Halls	Weed and Vermin Control
Parking Controls	Youth Matters

## Public Participation

Members of the public have a number of opportunities to put forward their views on particular issues before Council.

These are:-

- a) Deputations – With the permission of the Mayor or the Committee Chairman, a member of the public can address a Council or the Committee on any issue within the Council's jurisdiction.
- b) Presentations to Council – With prior notification and arrangements with the Mayor, a member of the public can address the Council for five minutes on any issue relevant to Council.
- c) Petitions – Written petitions can be addressed to the Council on any issue within the Council's jurisdiction.
- d) Written requests – A member of the public can write to the Council on any Council policy, activity or service.
- e) Elected Members – Members of the public can contact their Elected Members of Council to discuss any issue relevant to Council.
- f) Staff Members – Members of the public can contact Council Staff to discuss any issue relevant to Council.

## Public Consultation Policy

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

The District Council of Orroroo Carrieton is committed to appropriate consultation with residents and other stakeholders on issues which affect them. This consultation involves seeking and receiving feedback, as well as supplying information. Consultation with residents can take a variety of forms including:-

- a) Hand delivered or posted household letters
- b) Letters personally addressed to individuals, including questionnaires
- c) Public meetings on particular issues
- d) Information via Council's monthly Goyder's Line Gazette
- e) Various pamphlets or publications
- f) Advertising of some development and planning applications requiring approval by Council in local papers. Residents have the opportunity to make a written submission to Council with their comments on the application or proposal
- g) Information via the Orroroo Area School weekly newsletter
- h) Telephone sample surveys
- i) Forums
- j) Through participation in various consultative Committees which review existing facilities and programs, plan new community facilities or help shape Council policy

The Public Consultation Policy was last reviewed in June 2016 and it is anticipated that it will be reviewed in 2019/2020.

## Access to Council Documents

Council documents are available for public inspection at the Council office between 9:00am and 5:00pm business days free of charge or can be viewed on Council's website [www.orreroo.sa.gov.au](http://www.orreroo.sa.gov.au).

Members of the public may purchase copies of the documents listed below at the cost indicated in the Register of Fees and Charges levied by Council and shown below (postage and packing additional if mailed).

- 1) Annual Audited Financial Statements
- 2) Annual Budget (after adoption by Council)
- 3) Annual Report
- 4) Assessment Book
- 5) Campaign Donation Returns
- 6) Code of Conduct – Elected Members
- 7) Code of Practice for access to Council meetings and documents
- 8) Community Land Management Plan
- 9) Contract and Tender Policy
- 10) Council and Committee Agendas
- 11) Council and Committee Minutes
- 12) Council By-laws
- 13) Current Plan Amendment Reports
- 14) Development Application Register
- 15) Development Plans
- 16) Goyder's Line Gazette
- 17) Internal Review of Council Decisions
- 18) Meeting Notices
- 19) Order Making Policy
- 20) Policy Manual
- 21) Public Consultation Policy
- 22) Rating Policy
- 23) Record of Delegations
- 24) Register of Elected Members' Allowances and Benefits
- 25) Register of Employees' Salaries, Wages and Benefits
- 26) Register of Fees and Charges levied by Council
- 27) Register of Interests
- 28) Register of Parking Controls
- 29) Register of Public Streets and Roads
- 30) Strategic Plans
- 31) Voters Roll

## Information Requests

A member of the public may make a request under the Freedom of Information Act 1991 for access to documents. To gain access to these Council records, a member of the public must complete a Freedom of Information request application outlining the records that they wish to inspect and pay the prescribed fee.

During the 2018-2019 reporting year, Council did not receive any requests under the Freedom of Information Act 1991.

### Amendment of Council Records

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act 1999 or the Freedom of Information Act 1991 depending on the document that requires correction.

A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out-of-date.

To gain access to these Council records, a member of the public must complete a Freedom of Information request application as indicated above outlining the records that they wish to inspect.

### Management and Staffing

As at the 30<sup>th</sup> June 2019 the District Council Orroroo Carrieton had 11.95 full time equivalent employees (FTE) working across a range of service delivery areas of Council as detailed in the following resource areas:

#### Employee Resources

Engineering	6.95
Human Services	0.9
Environmental	0.1
Corporate	4.0
Total Council Full Time Equivalents (FTEs)	11.95

And under the following Awards:

Employee Award	Males	Females
SA MSOA general	1	4
SA MSOA senior	1	0
LGE Award	6	0
Caretakers & Cleaners Award	1	1
Total (inc Casuals)	9	6

The Council continues to maintain its commitment to its people and a commitment to equal employment opportunities in the workplace. This is reflected in our encouragement for staff to participate in employee training programs and up skilling activities.

The Chief Executive Officer of the Council maintains a record (the Register of Remuneration) in accordance with Local Government Act 1999 - Section 105 and Schedule 4, clause 1 (g) requires information about the number of senior executive officers, kinds of allowances, and bonuses and benefits that are made available as part of the salary package/s.

A person is entitled to inspect the Register of Remuneration at the principal office of the Council during ordinary office hours.

### **Chief Executive Officer**

The Chief Executive Officer as at 30<sup>th</sup> June 2019 is employed under the following conditions:

- 5 Year Performance based contract
- Provision of Motor Vehicle with full private use in South Australia
- Provision of ipad and mobile phone allowance
- Subsidised House Rental

### **Manager of Corporate & Community Services**

The Manager of Corporate & Community Services is employed under the following conditions:

- Municipal Officers Award Level 6 plus Enterprise Bargaining Agreements
- Motor Vehicle Allowance
- Telephone/Communications Allowance
- Uniform allowance

### **Works Supervisor**

The Works Supervisor is employed under the following conditions:

- 6 Month contract – Level 5 of the Municipal Officers Awards
- Overtime Allowance
- Motor Vehicle – full private use within the Council area
- Mobile Phone for work use
- Uniform allowance

### **Administration Staff**

All other administration staff are employed under the South Australian Municipal Salaried Officers Award and receive an annual uniform allowance.

### **Engineering Services Staff**

At the 30<sup>th</sup> of June 2019 all employees of the Council engaged in engineering, construction and field based services are employed under the Local Government Employees Award and the District Council of Orroroo Carrieton Enterprise Bargaining Agreement 2016.

# INFRASTRUCTURE AND SERVICES

<i>Road Assets</i>	<i>Length</i>
Sealed Roads	59km
Unsealed Roads	1,569km

## Waste Collection Service

Council has continued with its contract with Veolia Environmental for the collection of kerbside refuse and recyclables. During 2018/2019 the following volumes were collected:

<i>Waste Collection</i>	<i>Tonnes</i>
Total Tonnes Collected	409
- Waste	187
- Recycling	71
- Other Waste	151
Average Route Distance	250km

Recycling via the recycling shed at the Council depot continues to be available to the public, however the facility is being abused by a minority of people. Many non-recyclable materials are being left at the shed which adds significant time and consequent cost to the council to extract the contaminants.

Markets have become highly sensitive to contaminants in recyclable materials with the biggest market, China, having already substantially reduced their intake from Australia (the China Sword Policy).

This issue has manifested in significantly higher costs for Australian Councils for their recycling activities amounting to tens of millions of dollars. Our challenge is to clean up our recycling activities which will require greater cooperation and compliance within the community and more controlled access to recycling facilities by the Council.

## Capital Road Re-Sheeting Program 2018/2019 Year

Road	Budget / Revised	Actual Exp	Difference
Johnburgh Road	\$ 50,000	\$ 15,824	\$ 34,176
Pamatta Road	\$ 31,500	\$ 32,558	-\$ 1,058
Cook Road	\$ 39,000	\$ 34,617	\$ 4,383
Minburra Road	\$ 45,000	\$ 20,734	\$ 24,266
North Paratoo Road	\$ 59,000	\$ 50,734	\$ 8,266
Haynes Road	\$ 18,000	\$ 18,057	-\$ 57
Slaughterhouse Road	\$ 6,300	\$ 8,605	-\$ 2,305
Yatina Streets South, 5th,7th,4th,2nd	\$ 17,250	\$ 20,201	-\$ 2,951
Morchard Fourth Street	\$ 2,250	\$ 2,015	\$ 235
No name road Morchard (Laskey)	\$ 10,500	\$ 8,144	\$ 2,356
East Tce - Carrieton	\$ 1,500	\$ 1,955	-\$ 455
Eurelia Streets	\$ 9,000	\$ 5,577	\$ 3,423
Eurelia Cemetery Road	\$ 18,000	\$ 7,197	\$ 10,803
Seventh Street Orroroo	\$ 3,000	\$ 2,323	\$ 677
Lions Park road	\$ 7,700	\$ 8,881	-\$ 1,181
Giant Gum Tree Road	\$ 8,000	\$ 4,517	\$ 3,483
Tank Hill Road	\$ 8,000	\$ 4,385	\$ 3,615
Cemetery Road Orroroo	\$ 8,000	\$ 14,311	-\$ 6,311
Wilmington Road	\$ 66,000	\$ 56,241	\$ 9,759
Pekina Black Rock Road	\$ 50,000	\$ 55,134	-\$ 5,134
Redden Road	\$ 10,500	\$ 11,829	-\$ 1,329
<b>Total</b>	<b>\$ 468,500</b>	<b>\$ 383,850</b>	<b>\$ 84,650</b>
<b>Drought Communities</b>			\$ -
Road Re-sheeting Project	\$ 285,000	\$ 286,335	-\$ 1,335
<b>Sealed - Reconstruction</b>			
Price Maurice Road - Stage 2	\$ 748,550	\$ 748,550	\$ -
<b>Total Capital Expenditure</b>	<b>\$ 1,502,050</b>	<b>\$ 1,418,735</b>	<b>\$ 83,315</b>

## PERFORMANCE HIGHLIGHTS

### Orroroo Community Waste Water Management System

The Community Waste Management Scheme (CWMS) project was for the design and construction of a new community wastewater management scheme within the township of Orroroo. The project has been an exciting new advance for Orroroo as it did not have any form of community wastewater treatment.

The project was the wastewater solution needed for businesses and the essential services to be sustainable and grow. A main spinal drain runs through the centre of town and collects the wastewater from the gravity drains and domestic pressure pumps that are connected to a number of commercial properties, school and the hospital. A rising main pipeline then transfers the wastewater from the pumping station to the wastewater treatment facility on Dump Road in Orroroo. When at full capacity clean treated water from the lagoons is released through irrigation onto a woodlot.

All parts of the project are connected and fully operational. The total project cost was \$1,582,008 for which \$387,337 was provided by the Australian Government and \$1,194,671 was provided by the South Australian Government though the CWMS managed by the Local Government Association of South Australia.



Back: Dylan Strong (CEO, District Council of Orroroo Carrieton), Taryn Dew (Dew's Meats / Orroroo Kangaroo), Kym Bertram (Orroroo Caravan Park co-manager), Rob Wilson (Orroroo Hospital & Orroroo Community Home Maintenance Officer)  
Front: Margaret Chapman (Admin Officer, District Council of Orroroo Carrieton), Barbara Nutt (Manager, Orroroo Community Home) and Christine Bertram (Orroroo Caravan Park Co-manager).

### Orroroo SA Water pipeline connection

The SA Water project to improve drinking water supply to the township of Orroroo was officially completed on the 31<sup>st</sup> March 2019. Construction was undertaken by Leed Engineering and Construction, and works occurred between Sept 2018 and March 2019.

After decades of lobbying from the Orroroo Community the 36 km pipeline from

Peterborough to Orroroo was installed. The alignment of the new pipeline was mostly laid under road verges along a route that follows Petersburg Road, RM Williams Way, Bencic Road and Minburra Road.

The water now supplying Orroroo is treated at the Morgan Water Treatment Plant and is some of the state's highest quality water, being voted South Australia's best-tasting tap water in 2016 and 2017. The new water has already made a positive difference to the lifestyle and businesses of people living in Orroroo and will continue to promote confidence in the town. Businesses and home owners will benefit through improved asset life and subsequent reduction in infrastructure replacement expense.

Council's involvement in the project included collaboration with SA Water management and operational staff, support and involvement with members of the reference group. Council were also key in supporting SA Water in the BYO bottle launch event which coincided with the Orroroo Half-Marathon on the 31<sup>st</sup> March 2019.

The water supply for Orroroo was previously sourced from groundwater from the Walloway Basin via two bores owned by SA Water. Through partnership with SA Water, Council has accepted transfer of the two SA Water bores to Council's ownership. The bores have been equipped with upgraded electrical connectivity, pumps and ancillary equipment under the 2018/19 Drought Communities Project Funding. The two bores offer significant water security for Council operations and the Orroroo community. The water may also hold economic development value which will be explored in future.



Left: the now Council owned bores on Minburra Road

Right: the pipeline excavation works on Petersburg Road

## Repair and upgrade of the Price Maurice Road Stage 2

The 4.3 km section of Price Maurice road was constructed and sealed in 2006/07 and is part of an important arterial road between Orroroo and Laura. With the large grain movements to the major silo facility at Gladstone, the section of road was experiencing significant pavement failures.

The road also has important social purpose in providing access for the community between the adjacent townships. In addition the road also provides important tourism access to the tourist

facilities around Orroroo and to the Flinders Ranges. Price Maurice Road since its construction and sealing has linked into the regional and state plans and policies.



The purpose of this reconstruction project was to ensure that the road remained at an acceptable standard in order for these links to be retained. Stage 1 of this project in 2017/18 saw the reconstruction of 2.1 kilometres with the remaining 2.2 kilometres remaining for 2018/19. Stage 2 commenced just south of Pekina at the Booleroo Road, Price Maurice Road intersection and was split into three sections:

Sections (length)	Location	Description of works
666m	20kms South of Orroroo	Overlaid with crushed rock and sealed
1447m	16kms South of Orroroo	Overlaid with crushed rock and sealed
150m	14kms South of Orroroo	Reseal only

The existing base course in these sections was reworked and compacted to form a sub-base layer. A 150mm thick, base course layer was then placed and compacted with a 14/7mm 8 metre wide double seal riding surface applied.

	2018/19
Grant Approved / Income (\$)	499,033
Council Contribution (\$)	249,517
Total Cost (\$)	748,550
Actual Expenditure (\$) - 30/06/2019	748,550



## The Tourism Roads Re-Sheeting Project

Targeted the re-sheeting of higher use and tourism related roads including improvement to identifying signage and visitor infrastructure. An expressions of interest campaign to engage private landholders in activities such as rubble cartage, water cartage, rubble spreading and rubble loading in pits.

Council, in collaboration with eight local contractors, undertook re-construction works on key tourist routes including “Magnetic Hill” and “Johnburgh” loop roads. These loops encompassed re-sheeting and rip and reform works on Pekina-Blackrock Road, Johnburgh Road, O’laddie Road and were also roads which value-added Council’s own annual construction program. One additional direct employment outcome was achieved in Council’s workforce for the duration of this project.



Local trades, including an electrician and builder carpenter were engaged in delivery of the smaller components of this project in Carrieton. Works included installation of a shelter over existing picnic tables at the Carrieton rest stop, and solar lighting to the Carrieton entrance wall. Community members, and professional designers based in the region were also engaged for various signage works. On ground works commenced in March 2019 and concluded in June 2019, with some remaining signage installations occurring into July.



The outcomes of the project included:

- ✓ Re-sheeting of unsealed roads particularly focussing on higher use roads and tourist routes, specifically Magnetic Hill and Johnburgh loop-roads.
- ✓ Employment of local contractors to collaboratively deliver works.
- ✓ Direct employment outcome with Council workforce.
- ✓ New or upgraded tourism signage on upgraded roads.
- ✓ New tourist picnic shelter over existing visitor tables at Carrieton.
- ✓ Installation of solar lighting to the visitor welcome sign at Carrieton.

Tourism Roads Re-sheeting Project	2018/19
Grant Approved / Income (\$)	285,000
Actual Expenditure (\$) - 30 June 2019	286,303
Variance to budget	(1,303)

## Water Efficiency and Reuse Project

Developed to make improvements and repairs to Stage 1 of a stormwater harvesting and re-use project (which was completed in 2011). The stormwater is collected in a storage pond from where it is distributed for oval watering purposes. The project achieved replacement of the stormwater dam liner, new pump and refurbished secondary pump.



The project also achieved the connection of the Orroroo Clubroom amenities to the community wastewater management system (completed in June 2019). Through the employment of local tradespeople, the same public amenities were upgraded with water-wise fixtures and fittings, together with new tiles, cabinetry, external doors and painted throughout. These upgrades will ensure the amenities are more appropriate for home football games, and final games which attract significantly larger attendance.

Water retention is essential for the sustainability of the oval, particularly in more frequent and extended periods of dryness and drought. Connection of two toilet/changeroom locations at the oval to the Community Waste Water Management System (CWMS) will increase recycle opportunities in the future when infrastructure is in place and volumes are sufficient for treated waste water to be introduced into the stormwater storage pond to increase recycling capacity.

Project Outcomes

- ✓ Short-term engagement of local and regional contractors in civil works and water distribution systems which extended for various periods over 3 to 4 months from March 2019
- ✓ Improvement of water management infrastructure that will reduce flooding potential in heavy rainfall events
- ✓ Long term social benefits for the community re: sporting facilities upgrade
- ✓ Long term health benefits through better management of waste water and a sustainable approach that will ensure a quality sporting surface is maintained for physical activity & community events
- ✓ Short term economic benefits of contractor funds circulating within the community
- ✓ Long term economic benefits resulting from water savings at the oval facility and improved capacity for the oval and its facilities to be used for sporting events increasing visitation to the town

Water Efficiency and Reuse Project	2018/19
Grant Approved / Income (\$)	205,600
Actual Expenditure (\$) – 30 June 2019	206,118
Variance to budget	(518)

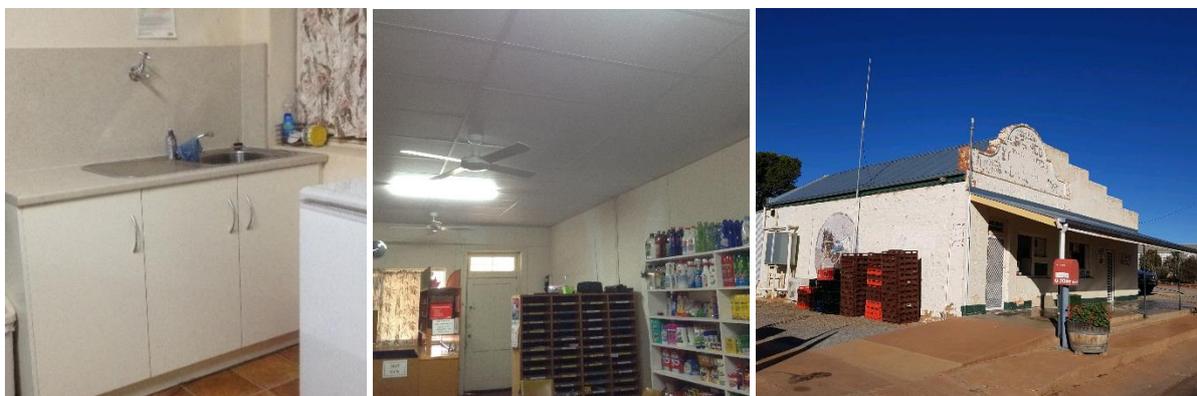
### The Carrieton Community Store Project

Addressed critical upgrades and repair to roofing, guttering, ceiling, wall and façade of the store to ensure its viability and continued operation. In partnership with the Carrieton Progress Association, local contractors including builder carpenters and electricians were engaged to deliver the works.

Efficiencies negotiated with relevant trades during the project also meant that the project could contribute to ongoing painting expenses.

Project Outcomes included:

- ✓ Retention of the Carrieton Community store through essential upgrade and repairs
- ✓ Retention of 3-4 part time jobs
- ✓ Improved tourist services



Carrieton Community Store	2018/19
Grant Approved / Income (\$)	43,500
Actual Expenditure (\$) - 30 June 2019	43,501
Variance to budget	(1)

## The Sustainable Community Spaces Project

Based on successful sustainable energy projects in larger, neighbouring councils. The project installed customised solar energy systems in nine key community facilities to support their retention and ongoing sustainability by addressing energy costs and power reliability issues. Each of the facilities were identified by the community and recognised as having significant social and economic importance. Such facilities included the town hall, sporting clubrooms and recreational centres.

Project Outcomes -

- ✓ Improved energy reliability for community facilities
- ✓ Contribute to the financial sustainability of community groups/organisations and local sporting clubs by reducing energy costs
- ✓ Long term social benefits for the community; the retention of clubs and groups, and key infrastructure (i.e. community swimming pool) for future generations
- ✓ Long term health and environmental benefits through improved energy usage and a sustainable approach
- ✓ Short term economic benefits of contractor funds circulating within the community
- ✓ Long term economic benefits resulting from energy savings, resulting in increased spend of clubs on other works, upgrades, events etc.



Sustainable Community Spaces Project	2018/19
Grant Approved / Income (\$)	133,151
Actual Expenditure (\$) - 30 June 2019	133,014
Variance to budget	137

## The Emergency Water Supply in Remote Areas Project

Delivered emergency water security to communities throughout the council area. The project comprised the installation of water storage tanks, connected to bores and solar powered pumps for use during emergencies and in fire prevention activities. Each tank and accompanying bore was strategically placed in locations allowing ease of access for emergency services (CFS and SES), farm fire-fighter units and/or general works crews.

The project was a collaboration between Council, farmers and local emergency services volunteers. Over the long term it will improve fire appliance refill and response times, thereby reducing the threat of rapidly spreading grassfires and bushfires to these remote communities.

- ✓ Employed local and regional contractors in relevant trades
- ✓ Short and long term benefits for farmers by reducing the financial impacts of emergency response; i.e. time lost and costs incurred by water carting in an emergency
- ✓ Long term social benefits for the community; increased protection for community assets and local businesses
- ✓ Short-term economic benefits of contractor funds circulating within the community; i.e. accommodation for works crews
- ✓ Long term indirect economic benefits resulting from water availability; i.e. proximity to water supply enables additional works on remote roads (re-sheeting etc.) resulting in increased spend from Council and State Government.
- ✓ Long term benefits in the retention of facilities and/or local businesses (i.e. protection for assets and infrastructure at increased risk to fire due to remoteness)



Emergency Water for Remote Communities	2018/19
Grant Approved / Income (\$)	191,186
Actual Expenditure (\$) - 30 June 2019	198,986
Variance to budget	(7,800)

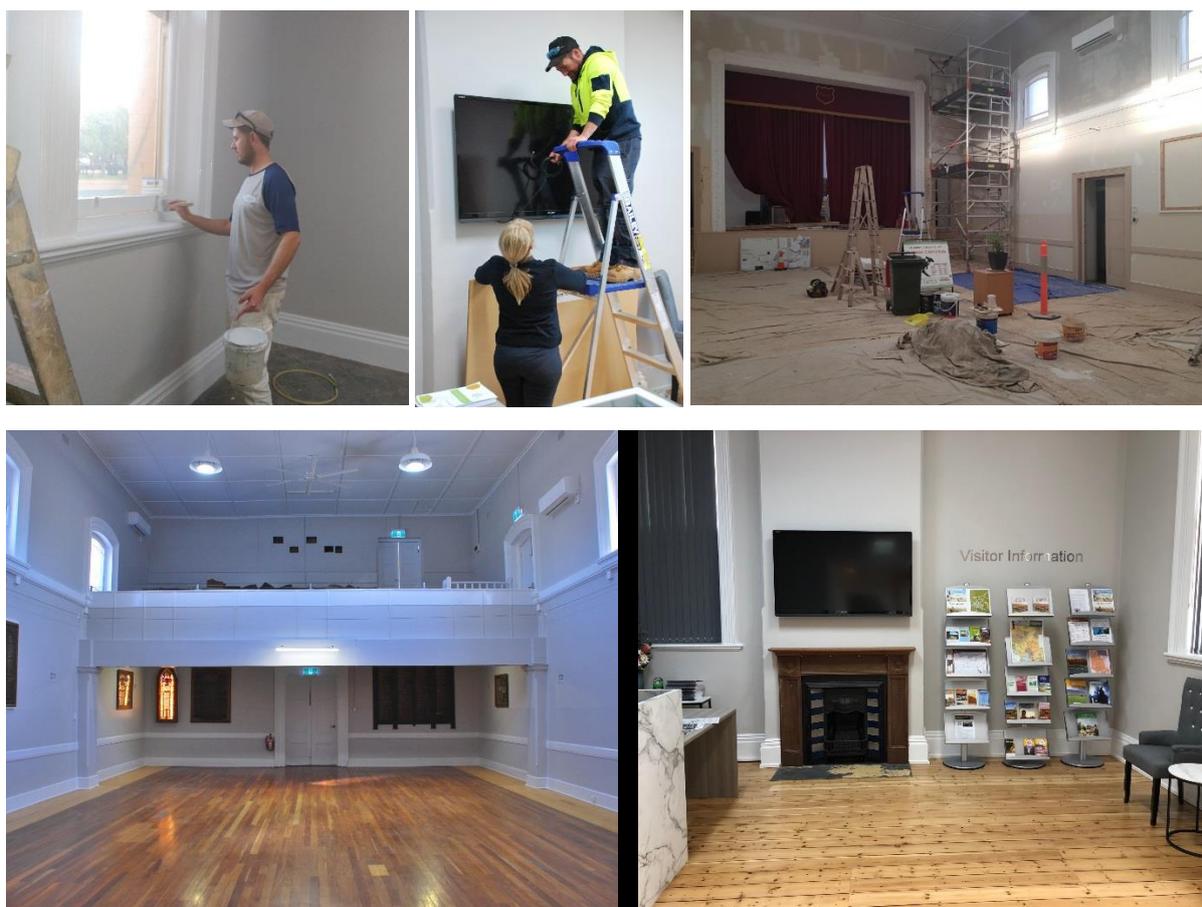
## The Tourism Infrastructure and Employment Project

Employed local people and contractors to install disability access and improve the amenity of the Visitor Information Centre, Town Hall and Community Gym in the main street of Orroroo. The refurbished Visitor Information Centre has improved customer service delivery and become a popular talking point among visitors.

The Orroroo Memorial Hall is the physical anchor point and community “hub” of the main street - the completion of this project ensures the Hall is available for community use in all seasons and at all times of the day through air-conditioning and lighting upgrades. The main street display of the historic Pekina irrigation scheme was also repaired, having remained non-functional for several years. Directional and interpretive signage was installed so as to highlight the significant heritage of the Orroroo main street and improve, promote existing tourism attractions and services thereby encouraging visitors to stay a while longer.

Outcomes achieved:

- ✓ Short-term engagement of local and regional contractors in relevant trades which extended for various periods over 3 months from April 2019
- ✓ Immediate benefits for community connectedness through collaboration of Council and the local tourism group
- ✓ Long term economic benefits through increased associated investment by local existing business and start-ups enabled by increased visitation
- ✓ Effective reuse of historic buildings (Town Hall)
- ✓ Long term social benefits for the community re: disability access to key community facilities, retention and celebration of heritage.
- ✓ Significant short term economic benefits of contractor funds circulating within the community
- ✓ Long term economic benefits resulting increasing visitation to the town and visitor staying longer





Tourism Infrastructure and Employment Project	2018/19
Grant Approved / Income (\$)	97,563
Actual Expenditure (\$) – 30 June 2019	98,064
Variance to budget	(501)

### Orroroo Heavy Vehicle Bypass

The Council continued with the preparation of design concepts and extensive consultation during 2017 for the upgrade to the Orroroo Heavy Vehicle Bypass Route. Consultation commenced on 4<sup>th</sup> September 2017 and concluded on 27<sup>th</sup> October 2017. At the conclusion of the public consultation period there were 2 formal responses and one informal, being a submission received via telephone.

Council at a Meeting held on 29th November 2017 resolved the following:

**MOTION: (011/1117)**

*That after considering the submissions received as part of the public consultation process, Council formally adopted Option 2 for the upgrade of the Orroroo Heavy Vehicle Bypass.*

Cr Chapman / Cr Byerlee CARRIED UNANIMOUSLY

**MOTION: (012/1117)**

*That the Heavy Vehicle Bypass be included in the Annual Business Plan and Budget for 2018/2019 for the purpose of preparing the final design, costing, negotiations with Viterra and securing of grant funding for the upgrade of the bypass in the 2019/20, 2020/21, and 2021/22 years.*

Cr Chapman / Cr Byerlee CARRIED UNANIMOUSLY

Due to constraints resulting from interim CEO arrangements in 2017 and 2018 prior to the appointment of the current CEO, the bypass project was not progressed in 2018/2019 as planned. The project will have been included for further progression in Councils 2019/2020 Business Plan.

Attachment 1 Audited Financial Statements 2018/2019



District Council of  
**ORROROO**  
**CARRIETON**

# **General Purpose Financial Reports**

**For year ended**

**30 June 2019**

District Council of Orroroo Carrieton  
Annual Financial Statements  
for the year ended 30 June 2019

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 2019 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.



.....  
Dylan Strong  
CHIEF EXECUTIVE OFFICER



.....  
Kathie Bowman  
MAYOR

Date: 23<sup>rd</sup> October 2019

**District Council of Orroroo Carrieton**  
**General Purpose Financial Reports**  
**for the year ended 30 June 2019**

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**District Council of Orreroo Carrieton**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2019**

	Notes	2019 \$'000	2018 \$'000
<b>INCOME</b>			
Rates	2	1,190	1,108
Statutory charges	2	18	16
User charges	2	95	131
Grants, subsidies and contributions	2	3,252	2,397
Investment income	2	25	25
Reimbursements	2	126	78
<b>Total Income</b>		<b>4,706</b>	<b>3,755</b>
<b>EXPENSES</b>			
Employee costs	3	941	998
Materials, contracts & other expenses	3	1,006	1,176
Depreciation, amortisation & impairment	3	996	948
Finance costs	3	14	23
<b>Total Expenses</b>		<b>2,957</b>	<b>3,145</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>1,749</b>	<b>610</b>
Asset disposal & fair value adjustments	4	-	(634)
Amounts received specifically for new or upgraded assets	2	1,765	-
<b>NET SURPLUS / (DEFICIT) (transferred to Equity Statement)</b>		<b>3,514</b>	<b>(24)</b>

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

**District Council of Orreroo Carrieton**  
**Statement of Financial Position**  
**as at 30 June 2019**

<b>ASSETS</b>	<b>Notes</b>	<b>2019</b> <b>\$'000</b>	<b>2018</b> <b>\$'000</b>
<b>Current Assets</b>			
Cash and cash equivalents	5	<b>1,487</b>	1,174
Trade & other receivables	5	<b>626</b>	160
Inventories	5	<b>41</b>	59
<b>Total Current Assets</b>		<b><u>2,154</u></b>	<u>1,393</u>
<b>Non-current Assets</b>			
Financial assets	6	<b>21</b>	24
Infrastructure, property, plant & equipment	7	<b>34,859</b>	31,505
<b>Total Non-current Assets</b>		<b><u>34,880</u></b>	<u>31,529</u>
<b>Total Assets</b>		<b><u>37,034</u></b>	<u>32,922</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	8	<b>892</b>	128
Borrowings	8	<b>76</b>	88
Provisions	8	<b>310</b>	392
<b>Total Current Liabilities</b>		<b><u>1,278</u></b>	<u>608</u>
<b>Non-current Liabilities</b>			
Borrowings	8	<b>128</b>	204
Provisions	8	<b>31</b>	27
<b>Total Non-current Liabilities</b>		<b><u>159</u></b>	<u>231</u>
<b>Total Liabilities</b>		<b><u>1,437</u></b>	<u>839</u>
<b>NET ASSETS</b>		<b><u>35,597</u></b>	<u>32,083</u>
<b>EQUITY</b>			
Accumulated Surplus	Notes	<b>\$'000</b>	<b>\$'000</b>
Asset Revaluation Reserves	9	<b>5,195</b>	1,681
<b>TOTAL EQUITY</b>		<b><u>30,402</u></b>	<u>30,402</u>
		<b><u>35,597</u></b>	<u>32,083</u>

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

**District Council of Orreroo Carrieton**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2019**

<b>2019</b>	<b>Notes</b>	<b>Accumulated Surplus \$'000</b>	<b>Asset Revaluation Reserve \$'000</b>	<b>TOTAL EQUITY \$'000</b>
Balance at end of previous reporting period		1,681	30,402	32,083
<b>Net Surplus / (Deficit) for Year</b>		<b>3,514</b>	-	<b>3,514</b>
<b>Balance at end of period</b>		<b>5,195</b>	<b>30,402</b>	<b>35,597</b>

<b>2018</b>	<b>Notes</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at end of previous reporting period		1,705	30,402	32,107
<b>Net Surplus / (Deficit) for Year</b>		<b>(24)</b>	-	<b>(24)</b>
<b>Balance at end of period</b>		<b>1,681</b>	<b>30,402</b>	<b>32,083</b>

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

**District Council of Orroroo Carrieton**  
**Statement of Cash Flows**  
**for the year ended 30 June 2019**

	Notes	2019 \$'000	2018 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Receipts:</i>			
Rates - general & other		1,176	1,108
Fees & other charges		18	17
User charges		85	241
Investment receipts		29	30
Grants utilised for operating purposes		2,845	2,577
Reimbursements		126	86
Other revenues		9	15
<i>Payments:</i>			
Employee costs		(916)	(970)
Materials, contracts & other expenses		(371)	(1,662)
Finance payments		(18)	(25)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>2,983</b>	<b>1,417</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		1,765	-
Sale of replaced assets		95	7
Sale of surplus assets		40	-
Repayments of loans by community groups		3	6
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(2,227)	(1,585)
Expenditure on new/upgraded assets		(2,258)	(4)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(2,582)</b>	<b>(1,576)</b>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Payments:</i>			
Repayments of borrowings		(88)	(148)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(88)</b>	<b>(148)</b>
<b>Net Increase (Decrease) in cash held</b>		<b>313</b>	<b>(307)</b>
Cash & cash equivalents at beginning of period	11	1,174	1,481
<b>Cash &amp; cash equivalents at end of period</b>	<b>11</b>	<b>1,487</b>	<b>1,174</b>

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

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**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 23 October 2019.

**1.2 Historical Cost Convention**

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

**1.3 Critical Accounting Estimates**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

**1.4 Rounding**

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

**2 The Local Government Reporting Entity**

The District Council of Orroroo Carrieton is incorporated under the SA Local Government Act 1999 and has its principal place of business at 17 Second Street, Orroroo SA 5431. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports.

**3 Income recognition**

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

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

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

	Cash Payment Received	Annual Allocation	Difference	
2016/17	\$1,463,615	\$966,563	+	\$497,052
2017/18	\$939,742	\$453,523	+	\$486,219
2018/19	\$915,318	\$453,496	+	\$461,822

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**  
**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

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 and Net Liabilities Ratio disclosed in Note 15 have also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

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

### **3.1 Construction Contracts**

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

For works undertaken on a fixed price contract basis, revenues and expenses are recognised on a percentage of completion basis. Costs incurred in advance of a future claimed entitlement are classified as work in progress in inventory. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

## **4 Cash, Cash Equivalents and other Financial Instruments**

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

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

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

AASB 7 Financial Instruments - Disclosures and AASB 9 Financial Instruments commenced from 1 July 2018 and have the effect that non-contractual receivables (e.g. rates & charges) are now treated as financial instruments. Although the disclosures made in Note 13 Financial Instruments have changed, there are no changes to the amounts disclosed.

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.

### **5.1 Real Estate Assets Developments**

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

### **5.2 Other Real Estate held for resale**

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

**District Council of Orreroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**  
**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

**6 Infrastructure, Property, Plant & Equipment**

**6.1 Land under roads**

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

**6.2 Initial Recognition**

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

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

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

**6.3 Materiality**

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

**6.4 Subsequent Recognition**

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

**6.5 Depreciation of Non-Current Assets**

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

Depreciation 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.

**6.6 Impairment**

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets carried at fair value whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not assessed for impairment.

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

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

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

**6.7 Borrowing Costs**

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

**7 Payables**

**7.1 Goods & Services**

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

**7.2 Payments Received in Advance & Deposits**

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

**8 Borrowings**

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

**9 Employee Benefits**

**9.1 Salaries, Wages & Compensated Absences**

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based 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 estimated future cash outflows (including payroll based on costs) to be made in respect of services provided by employees up to the reporting date.

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 Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

**10 Leases**

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**  
**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

In respect of finance leases, where Council substantially carries the entire risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class, and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense 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 Pending Accounting Standards**

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2019 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 16	Leases
AASB 1058	Income of Not-for-Profit Entities

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

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

Council is of the view that other than AASB 15, AASB 16, and AASB 1058, none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, or that they may impact certain information otherwise disclosed.

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

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities may have a material effect on the amounts disclosed in these reports particularly in revenues from grants & subsidies, but does not commence until the 2019/20 financial period and it is not Council's intention to adopt this standard early.

**District Council of Orreroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 2 - INCOME**

	<b>Notes</b>	<b>2019</b>	<b>2018</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>RATES REVENUES</b>			
<u>General Rates</u>		<b>1,017</b>	945
Less: Mandatory rebates		<b>(13)</b>	(13)
Less: Discretionary rebates, remissions & write offs		<b>(11)</b>	(5)
		<b>993</b>	927
<u>Other Rates (including service charges)</u>			
Natural Resource Management levy		<b>35</b>	34
Waste collection		<b>143</b>	132
Water supply		<b>8</b>	7
		<b>186</b>	173
<u>Other Charges</u>			
Penalties for late payment		<b>11</b>	8
		<b>11</b>	8
		<b>1,190</b>	1,108
<b>STATUTORY CHARGES</b>			
Development Act fees		<b>7</b>	10
Animal registration fees & fines		<b>9</b>	6
Other licences, fees, & fines		<b>2</b>	-
		<b>18</b>	16
<b>USER CHARGES</b>			
Cemetery/crematoria fees		<b>12</b>	6
Swimming Pool fees		<b>9</b>	12
Cropping		<b>4</b>	11
Hall & equipment hire		<b>-</b>	4
Rental Charges		<b>10</b>	10
Sales - general		<b>7</b>	7
Sundry		<b>53</b>	81
		<b>95</b>	131
<b>INVESTMENT INCOME</b>			
Interest on investments:			
Local Government Finance Authority		<b>25</b>	25
		<b>25</b>	25

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

Note 2 - INCOME (con't)

	Notes	2019 \$'000	2018 \$'000
<b>REIMBURSEMENTS</b>			
- for private works		18	78
- other		108	-
		<b>126</b>	<b>78</b>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Amounts received specifically for new or upgraded assets			
CWMS		1,765	-
Other grants, subsidies and contributions			
Financial Assistance Grant - General		915	940
Road Supplementary Payment		384	128
Financial Assistance Grant - Local Roads		273	283
Roads to Recovery		180	365
Special Local Roads Grant		500	422
CWMS		-	170
Sport & Recreation		-	87
Drought Assistance Program		1,000	-
Sundry		-	2
		<b>3,252</b>	<b>2,397</b>
		<b>5,017</b>	<b>2,397</b>
<i>The functions to which these grants relate are shown in Note 12.</i>			
<b>Sources of grants</b>			
Commonwealth government		1,570	259
State government		3,447	2,138
		<b>5,017</b>	<b>2,397</b>
<b>Individually Significant Item</b>			
Prepaid Financial Assistance Grant		460	61

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 3 - EXPENSE**

	Notes	2019 \$'000	2018 \$'000
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		712	850
Employee leave expense		271	168
Superannuation - defined contribution plan contributions	18	74	83
Superannuation - defined benefit plan contributions	18	7	
Workers' Compensation Insurance		24	24
Less: Capitalised and distributed costs		(147)	(127)
<b>Total Operating Employee Costs</b>		<b>941</b>	<b>998</b>
 <b>Total Number of Employees</b>		<b>11</b>	<b>11</b>
<i>(Full time equivalent at end of reporting period)</i>			
 <b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		27	10
Bad and Doubtful Debts		1	-
Elected members' expenses		78	67
Election expenses		7	-
Operating Lease Rentals - cancellable leases		3	33
Subtotal - Prescribed Expenses		<b>116</b>	<b>110</b>
 <u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		581	235
Vehicle Repairs Maintenance		90	95
Freight		4	2
Legal Expenses		17	27
Electricity		45	50
Minor Equipment - Expensed		3	7
Plant & Equipment - Capitalised		572	186
Other Amounts Capitalised		-	680
Computer Hardware / Software		15	35
Water, Sewerage & Gas		62	67
CMWS & Stormwater plans		13	89
Uniforms Clothing / Protective Clothing		6	7
Sub-total		<b>1,408</b>	<b>1,480</b>

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 3 - EXPENSE con't**

	2019	2018
Notes	\$'000	\$'000
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES con't</b>		
<u>Other Materials, Contracts &amp; Expenses con't</u>		
Waste Management Collection	74	70
Office Consumables	6	18
General Maintenance Materials	123	103
Conferences / Seminars Training	8	19
Travel & Accommodation	1	1
Subsides / Membership Fees	24	26
Telephone	20	21
Insurance	84	110
Vehicle Registration	20	20
Grants to Outside Bodies	-	13
Other Expenses	9	17
NRM Levy	35	34
Road Resheeting	669	579
less amounts capitalised	(1,591)	(1,445)
Subtotal - Other Materials, Contracts & Expenses	<u>890</u>	<u>1,066</u>
	<u>1,006</u>	<u>1,176</u>
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>		
<b>Depreciation</b>		
Buildings & Other Structures	193	188
Roads	650	633
Plant & Equipment	139	113
Other Assets	14	14
	<u>996</u>	<u>948</u>
<b>FINANCE COSTS</b>		
Interest on Loans	14	23
	<u>14</u>	<u>23</u>

**District Council of Orreroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS**

	Notes	2019 \$'000	2018 \$'000
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		95	7
Less: Carrying amount of assets sold		<u>(100)</u>	<u>(641)</u>
<b>Gain (Loss) on disposal</b>		<u>(5)</u>	<u>(634)</u>
 <i>Assets surplus to requirements</i>			
Proceeds from disposal		40	-
Less: Carrying amount of assets sold		<u>(35)</u>	<u>-</u>
<b>Gain (Loss) on disposal</b>		<u>5</u>	<u>-</u>
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>		<u>-</u>	<u>(634)</u>

District Council of Orroroo Carrieton  
Notes to and forming part of the Financial Statements  
for the year ended 30 June 2019

**Note 5 - CURRENT ASSETS**

	Notes	2019 \$'000	2018 \$'000
<b>CASH &amp; EQUIVALENT ASSETS</b>			
Cash on Hand and at Bank		73	31
Deposits at Call		1,414	1,143
		<u>1,487</u>	<u>1,174</u>
<b>TRADE &amp; OTHER RECEIVABLES</b>			
Rates - General & Other		151	137
Accrued Revenues		407	4
Debtors - general		25	15
GST Recoupment		103	64
Total		<u>686</u>	<u>220</u>
Less: Allowance for Doubtful Debts		<u>(60)</u>	<u>(60)</u>
		<u>626</u>	<u>160</u>
<b>INVENTORIES</b>			
Stores & Materials		41	59
		<u>41</u>	<u>59</u>

**Note 6 - NON-CURRENT ASSETS**

	Notes	2019 \$'000	2018 \$'000
<b>FINANCIAL ASSETS</b>			
<b>Receivables</b>			
Loans to community organisations		21	24
<b>TOTAL FINANCIAL ASSETS</b>		<u>21</u>	<u>24</u>

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

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

	Fair Value Level	2018 \$'000				2019 \$'000			
		Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land	2	465	-	-	465	-	-	-	465
Land	3	1,361	-	-	1,361	-	-	-	1,361
Buildings & Other Structures	3	9,157	50	(6,399)	2,808	283	(6,592)	2,848	
Roads	3	33,900	2,188	(10,386)	25,702	3,605	(11,036)	26,469	
Plant & Equipment		-	3,671	(2,551)	1,120	4,139	(2,670)	1,469	
CWMS		-	-	-	-	1,728	-	1,728	
Other Assets		-	642	(593)	49	1,126	(607)	519	
<b>Total IPP&amp;E</b>		<b>44,883</b>	<b>6,551</b>	<b>(19,929)</b>	<b>31,505</b>	<b>10,881</b>	<b>(20,905)</b>	<b>34,859</b>	
<b>Comparatives</b>		<b>45,907</b>	<b>5,112</b>	<b>(19,514)</b>	<b>31,505</b>	<b>6,551</b>	<b>(19,929)</b>	<b>31,505</b>	

This Note continues on the following pages.

**District Council of Orreroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

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

	2018 \$'000	CARRYING AMOUNT MOVEMENTS DURING YEAR \$'000										2019 \$'000
		Carrying Amount	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	Carrying Amount	
			New / Upgrade	Renewals				In	Out			
Land	465	-	-	-	-	-	-	-	-	-	465	
Land	1,361	-	-	-	-	-	-	-	-	-	1,361	
Buildings & Other Structures	2,808	17	216	-	(193)	-	-	-	-	-	2,848	
Roads	25,702	-	1,417	-	(650)	-	-	-	-	-	26,469	
Plant & Equipment	1,120	376	196	(135)	(139)	-	51	-	-	-	1,469	
CWMS	-	1,691	-	-	-	-	37	-	-	-	1,728	
Other Assets	49	174	398	-	(14)	-	-	(88)	-	-	519	
<b>Total IPP&amp;E</b>	<b>31,505</b>	<b>2,258</b>	<b>2,227</b>	<b>(135)</b>	<b>(996)</b>	<b>-</b>	<b>88</b>	<b>(88)</b>	<b>-</b>	<b>-</b>	<b>34,859</b>	
Comparatives	31,505	4	1,585	(641)	(948)	-	-	-	-	-	31,505	

This note continues on the following pages.

**District Council of Orreroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 7 (con't) – 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.

**District Council of Orroroo Carrieton**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2019**

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

**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.

**Land & Land Improvements**

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

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

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 1997 at current replacement cost. Additions are recognised at cost.

These assets were revalued as at 1 July 2015 by Maloney Field Services.

**Buildings & Other Structures**

Buildings and other structures generally are recognised at fair value, based on current market values. However special purpose buildings (such as public toilets) for which there are no market, are valued at depreciated current replacement cost. Buildings which Council does not intend to replace at the end of their useful life are valued at market value of the "highest and best" use.

These assets were revalued as at 1 July 2015 by Maloney Field Services.

**Infrastructure**

Transportation assets were valued by Tonkin Consulting at depreciated current replacement cost with the subsequent changes brought to account as at 1 July 2015. All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management system infrastructure is recorded at cost.

**Plant, Furniture & Equipment**

These assets are recognised on the cost basis.

**All other assets**

These assets are recognised on the cost basis.

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 8 - LIABILITIES**

	Notes	2019		2018	
		\$'000		\$'000	
<b>TRADE &amp; OTHER PAYABLES</b>		Current	Non-current	Current	Non-current
Goods & Services		<b>824</b>	-	51	-
Accrued expenses - employee entitlements		<b>30</b>	-	30	-
Accrued expenses - other		<b>27</b>	-	31	-
Other		<b>11</b>	-	16	-
		<b>892</b>	-	128	-
<b>BORROWINGS</b>					
Loans		<b>76</b>	<b>128</b>	88	204
		<b>76</b>	<b>128</b>	88	204
<i>All interest bearing liabilities are secured over the future revenues of the Council.</i>					
<b>PROVISIONS</b>					
Employee entitlements (including oncosts)		<b>197</b>	<b>31</b>	176	27
Other		<b>113</b>	-	216	-
		<b>310</b>	<b>31</b>	392	27

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 9 - RESERVES**

<b>ASSET REVALUATION RESERVE</b>	1/7/2018	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2019
<b>Notes</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Land	1,185	-	-	<b>1,185</b>
Buildings & Other Structures	619	-	-	<b>619</b>
Roads	28,598	-	-	<b>28,598</b>
<b>TOTAL</b>	<b>30,402</b>	<b>-</b>	<b>-</b>	<b>30,402</b>
<i>Comparatives</i>	<i>30,402</i>	<i>-</i>	<i>-</i>	<i>30,402</i>

**PURPOSES OF RESERVES**

**Asset Revaluation Reserve**

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

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 10 - 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	2019 \$'000	2018 \$'000
Total cash & equivalent assets	5	<u>1,487</u>	<u>1,174</u>
Balances per Cash Flow Statement		<u>1,487</u>	<u>1,174</u>

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

Net Surplus (Deficit)		3,514	(24)
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		996	948
Net increase (decrease) in unpaid employee benefits		25	28
Grants for capital acquisitions treated as Investing Activity		(1,765)	-
Net (Gain) Loss on Disposals		-	634
		<u>2,770</u>	<u>1,586</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(466)	61
Net (increase) decrease in inventories		18	(36)
Net increase (decrease) in trade & other payables		764	(55)
Net increase (decrease) in other provisions		(103)	(139)
<b>Net Cash provided by (or used in) operations</b>		<u><b>2,983</b></u>	<u><b>1,417</b></u>

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

Note 11 - 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	2019	2018	2019	2018
		2018		2018						
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Business Undertakings	1,858	688	30	-	1,828	688	1,765	-	1,891	164
Community Services	34	243	104	380	(70)	(137)	-	-	982	982
Culture	1	1	49	18	(48)	(17)	-	-	164	-
Economic Development	1,002	5	16	51	986	(46)	1,000	-	-	-
Environment	155	57	185	22	(30)	35	-	-	-	-
Recreation	13	16	199	204	(186)	(188)	-	-	1,006	1,056
Regulatory Services	16	13	26	36	(10)	(23)	-	87	754	459
Transport & Communication	2,342	1,828	1,451	911	891	917	2,342	1,198	-	-
Plant Hire & Depot / Indirect	160	384	84	262	76	122	-	-	-	26,940
Unclassified Activities	-	491	-	917	-	(426)	-	-	-	-
Council Administration	890	29	813	344	77	(315)	-	942	-	-
<b>TOTALS</b>	<b>6,471</b>	<b>3,755</b>	<b>2,957</b>	<b>3,145</b>	<b>3,514</b>	<b>610</b>	<b>5,107</b>	<b>2,397</b>	<b>3,340</b>	<b>33,211</b>
										<b>32,922</b>

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 11 (con't) - COMPONENTS OF FUNCTIONS**

The activities relating to Council functions are as follows:

**Business Undertakings**

Caravan Park, Electricity Supply, Gravel Pits/Quarries, Development of Land for Resale, Markets/Saleyards, Private Works, Property Portfolio, Sewerage/CWMS, Water Supply – Domestic and Other.

**Community Services**

Public Order and Safety, Emergency Services, Other Fire Protection, Health Services, Pest Control – Health, Community Support, Elderly Citizens Facilities, Other Services for the Aged and Disabled, Children and Youth Services, Community Assistance, Community Transport, Community Amenities, Bus Shelters, Cemeteries, Public Conveniences, Car Parking – non-fee-paying, Telecommunications Networks, and Other Community Amenities.

**Culture**

Library Services, Cultural Services, Cultural Venues, Heritage, Museums, and Other Cultural Services.

**Economic Development**

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

**Environment**

Agricultural Services, Agricultural Water, Waste Management, Domestic Waste, Green Waste, Recycling, Waste Disposal Facility, Other Waste Management, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

**Recreation**

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

**Regulatory Services**

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

**Transport**

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

**Plant Hire & Depot**

**Unclassified Activities**

**Council Administration**

Governance, Administration n.e.c., Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose, and Separate and Special Rates.

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 12 - FINANCIAL INSTRUMENTS**

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

**Accounting Policies - Recognised Financial Instruments**

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between .75% and 1.25% (2018: 1.5% and 1.75%).</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables - Rates &amp; Associated Charges (including legal &amp; penalties for late payment)</b>	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p><b>Terms &amp; conditions:</b> Secured over the subject land, arrears attract interest of .550% (2018: .5625%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables - Fees &amp; other charges</b>	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables - other levels of government</b>	<p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p><b>Carrying amount:</b> approximates fair value.</p>

## District Council of Orroroo Carrieton

### Notes to and forming part of the Financial Statements

#### Note 12 - FINANCIAL INSTRUMENTS (con't)

<b>Receivables</b> - Retirement Home Contributions	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p><b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Liabilities</b> - Creditors and Accruals	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities</b> - Retirement Home Contributions	<p><b>Accounting Policy:</b> To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p><b>Terms &amp; conditions:</b> 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.</p> <p><b>Carrying amount:</b> approximates fair value for short tenancies; may be non-materially over-stated for longer tenancies.</p>
<b>Liabilities</b> - Interest Bearing Borrowings	<p><b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 4.55% and 6.75% (2018: 4.55% and 8.27%)</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities</b> - Finance Leases	<p><b>Accounting Policy:</b> accounted for in accordance with AASB 117.</p>

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 12 - FINANCIAL INSTRUMENTS (con't)**

**Liquidity Analysis**

<b>2019</b>	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Financial Assets</u></b>					
Cash & Equivalents	1,479	-	-	1,479	1,487
Receivables	686	-	-	686	626
Other Financial Assets	-	21	-	21	-
<b>Total</b>	<b>2,165</b>	<b>21</b>	<b>-</b>	<b>2,186</b>	<b>2,113</b>
<b><u>Financial Liabilities</u></b>					
Payables	835	-	-	835	835
Current Borrowings	76	-	-	76	76
Non-Current Borrowings	-	128	-	128	128
<b>Total</b>	<b>911</b>	<b>128</b>	<b>-</b>	<b>1,039</b>	<b>1,039</b>
<b>2018</b>	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Financial Assets</u></b>					
Cash & Equivalents	1,174	-	-	1,174	1,174
Receivables	220	-	-	220	160
Other Financial Assets	-	24	-	24	24
<b>Total</b>	<b>1,394</b>	<b>24</b>	<b>-</b>	<b>1,418</b>	<b>1,358</b>
<b><u>Financial Liabilities</u></b>					
Payables	67	-	-	67	67
Current Borrowings	102	-	-	102	88
Non-Current Borrowings	-	221	-	221	204
<b>Total</b>	<b>169</b>	<b>221</b>	<b>-</b>	<b>390</b>	<b>359</b>

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

	30 June 2019		30 June 2018	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Fixed Interest Rates	<b>5.55</b>	<b>204</b>	5.55	292

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 12 - 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 allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

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

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

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

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 13 - FINANCIAL INDICATORS**

	2019	2018	2017
<b>Operating Surplus Ratio</b>			
<u>Operating Surplus</u>	37%	16%	13%
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>	(15%)	(14%)	(16%)
Total Operating Income			

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

**Asset Renewal Funding Ratio**

<u>Net Outlays on Existing Assets</u>	143%	92%	43%
Net Asset Renewals - IAMP			

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

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 14 - 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

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Income	<b>4,706</b>	3,755
Expenses	<b>(2,957)</b>	<b>(3,145)</b>
<b>Operating Surplus / (Deficit)</b>	<b>1,749</b>	<b>610</b>
 <b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	<b>(2,227)</b>	(1,585)
Add back Depreciation, Amortisation and Impairment	<b>996</b>	948
Proceeds from Sale of Replaced Assets	<b>95</b>	7
	<b>(1,136)</b>	<b>(630)</b>
 <b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	<b>(2,258)</b>	(4)
Amounts received specifically for New and Upgraded Assets	<b>1,765</b>	-
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<b>40</b>	-
	<b>(453)</b>	<b>(4)</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>160</b>	<b>(24)</b>

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 15 – SUPERANNUATION**

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

**Accumulation only Members**

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2018-19; 9.50% in 2019-20). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

**Salarylink (Defined Benefit Fund) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2017-18) of "superannuation" salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. 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.

**District Council of Orroroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 16 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET**

The following assets and liabilities do not qualify for recognition in the Balance Sheet but knowledge 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.

At reporting date, Council controlled 1600 km of road reserves of average width 20 metres.

**2. POTENTIAL INSURANCE LOSSES**

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

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to 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. BANK GUARANTEES**

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$21,000 (2018: \$24,000) at reporting date.

Council does not expect to incur any loss arising from these guarantees.

**4. LEGAL EXPENSES**

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had no 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.

**5. CONTINGENT LIABILITIES**

At the time of preparing these accounts there are no other known contingent liabilities to consider other than those included in this Note.

**District Council of Orreroo Carrieton**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 17 - 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, 10 persons were paid the following total compensation:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Salaries, allowances & other short term benefits	162	227
<b>TOTAL</b>	<b>162</b>	<b>227</b>

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

**PARTIES RELATED TO KEY MANAGEMENT PERSONNEL**

There is one close family members of key management personnel 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*.

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



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under Professional Standards Legislation.

## INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROLS

To the members of the District Council of Orroroo Carrieton

### Independent Assurance Report on the Internal Controls of the District Council of Orroroo Carrieton

#### Opinion

We have audited the compliance of the District Council of Orroroo Carrieton (the Council) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2018 to 30 June 2019 have been conducted properly and in accordance with law.

In our opinion, the District Council of Orroroo Carrieton 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 2018 to 30 June 2019.

#### Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the 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 2018 to 30 June 2019. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

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

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

#### Our Independence and Quality Control

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

**Auditor's responsibility**

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the Local Government Act 1999 in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to 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 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the Local Government Act 1999 in relation only to the Internal Controls specified above for the period 1 July 2018 to 30 June 2019. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

**Limitations of Controls**

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

**Limitation of Use**

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

**GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**

**Tim Muhlhausler** CA Registered Company Auditor  
Partner

15 / 11 / 2019

David Chant CA, FCPA  
Simon Smith CA, FCPA  
David Sullivan CA, CPA  
Jason Seidel CA  
Renae Nicholson CA  
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## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

### To the members of the District Council of Orroroo Carrieton

#### Opinion

We have audited the accompanying financial report of the District Council of Orroroo Carrieton (the Council), which comprises the statement of financial position as at 30 June 2019, 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 District Council of Orroroo Carrieton.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

#### Basis for Opinion

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

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

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

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

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

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

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

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

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

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



**Tim Muhlhausler** CA Registered Company Auditor  
Partner

15 / 11 / 2019

District Council of Orroroo Carrieton  
Annual Financial Statements  
for the year ended 30 June 2019

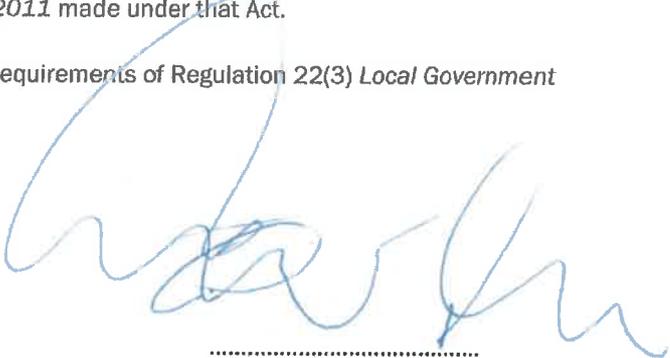
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of District Council of Orroroo Carrieton for the year ended 30 June 2019, the Council's Auditor, Galpins has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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



.....  
Dylan Strong  
CHIEF EXECUTIVE OFFICER



.....  
Ian Swan  
PRESIDING MEMBER  
AUDIT COMMITTEE

Date: 22<sup>nd</sup> October 2019

**District Council of Orroroo Carrieton**  
**ANNUAL FINANCIAL STATEMENTS**  
**For The Year Ended 30 June 2019**

**STATEMENT BY AUDITOR**

I confirm that, for the audit of the financial statements of the District Council of Orroroo Carrieton for the year ended 30 June 2019, 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*.



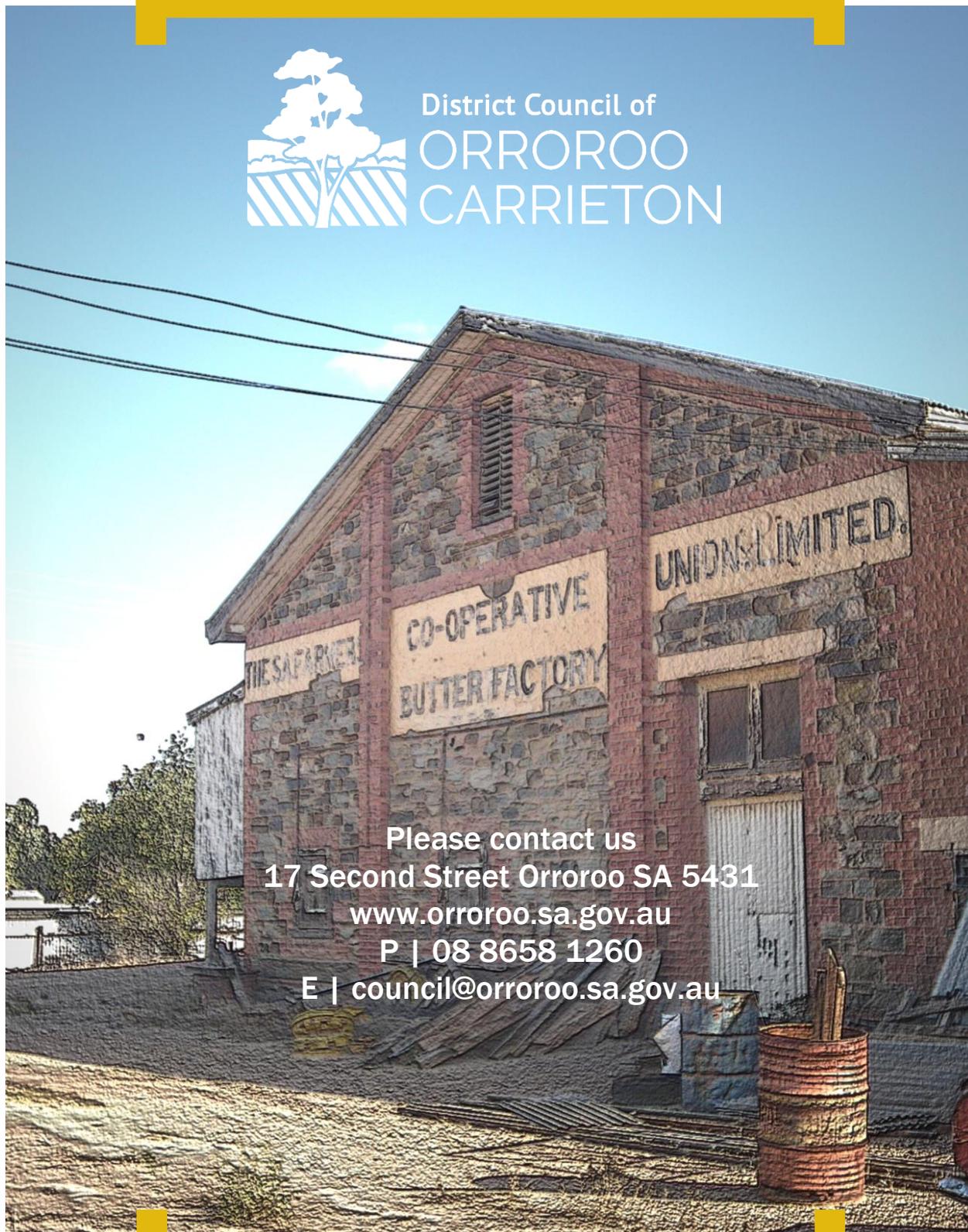
**Tim Muhlhausler**

**Partner – Galpins**

Date: 15<sup>th</sup> November 2019



District Council of  
**ORROROO**  
**CARRIETON**



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