

Regional Council of Goyder



Annual Financial Statements

For the financial year

July 1st 2022 – June 30th 2023

Regional Council of Goyder
General Purpose Financial Reports
for the year ended 30 June 2023

Table of Contents

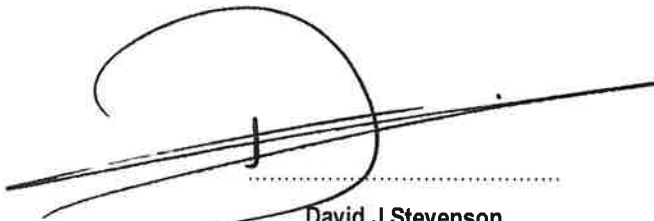
	Page #
Council Certificate	1
 Principal Financial Statements	
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
 Notes to, and forming part of, the Principal Financial Statements	
Note 1 - Significant Accounting Policies	6
Note 2 - Income	11
Note 3 - Expenses	14
Note 4 - Asset Disposal & Fair Value Adjustments	16
Note 5 - Current Assets	16
Note 6 - Non-Current Assets	16
Note 7 - Infrastructure, Property, Plant & Equipment & Investment Property	17
Note 8 - Liabilities	22
Note 9 - Reserves	23
Note 10 - Assets Subject to Restrictions	25
Note 11 - Reconciliation of Cash Flow Statement	26
Note 12 - Functions	27
Note 13 - Financial Instruments	29
Note 14 - Expenditure Commitments	32
Note 15 - Financial Indicators	33
Note 16 - Uniform Presentation of Finances	34
Note 17 - Leases	34
Note 18 - Superannuation	35
Note 19 - Interests in Other Entities	36
Note 20 - Contingent Assets & Contingent Liabilities	36
Note 21 - Events Occuring After Reporting Date	36
Note 22 - Related Party Transactions	37
Note 22 - Retrospective Restatement of Comparative Data	38
 Audit Report - Financial Statements	
Audit Report - Internal Controls	
Council Certificate of Audit Independence	
Auditor Certificate of Audit Independence	

**Regional Council of Goyder
Annual Financial Statements
for the year ended 30 June 2023**

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 2023 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.



David J Stevenson
CHIEF EXECUTIVE OFFICER

Date: 19 September 2023



William D Gebhardt
MAYOR

Regional Council of Goyder
Statement of Comprehensive Income
for the year ended 30 June 2023

		2023	2022
	Notes	\$	\$
INCOME			
Rates	2	6,268,121	6,070,118
Statutory charges	2	125,336	126,712
User charges	2	1,683,529	1,357,033
Grants, subsidies and contributions - Capital	2	-	1,078,050
Grants, subsidies and contributions - Operating	2	4,884,276	5,564,012
Investment income	2	217,756	35,425
Reimbursements	2	173,632	143,458
Other income	2	156,263	180,356
Total Income		13,508,913	14,555,164
EXPENSES			
Employee costs	3	3,673,156	3,687,298
Materials, contracts & other expenses	3	5,432,741	4,796,929
Depreciation, amortisation & impairment	3	4,639,755	4,461,485
Finance costs	3	7,492	12,139
Total Expenses		13,753,144	12,957,851
OPERATING SURPLUS / (DEFICIT)		(244,231)	1,597,313
Asset disposal & fair value adjustments	4	210,664	(302,315)
Amounts received specifically for new or upgraded assets	2	225,000	286,629
NET SURPLUS / (DEFICIT)		191,433	1,581,627
TOTAL COMPREHENSIVE INCOME		191,433	1,581,627

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

Regional Council of Goyder
Statement of Financial Position
as at 30 June 2023

		2023	2022
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	6,690,538	8,451,813
Trade & other receivables	5	1,792,151	1,070,533
Inventories	5	1,694,303	1,103,777
Total Current Assets		10,176,992	10,626,123
Non-current Assets			
Financial assets	6	42,089	55,509
Infrastructure, property, plant & equipment	7	95,895,093	95,934,733
Other non-current assets	6	3,371,300	2,192,890
Total Non-current Assets		99,308,482	98,183,132
Total Assets		109,485,474	108,809,255
LIABILITIES			
Current Liabilities			
Trade & other payables	8	1,694,144	754,025
Borrowings	8	-	152,242
Provisions	8	559,604	523,783
Total Current Liabilities		2,253,748	1,430,050
Non-current Liabilities			
Borrowings	8	-	340,405
Provisions	8	195,225	193,732
Total Non-current Liabilities		195,225	534,137
Total Liabilities		2,448,973	1,964,187
NET ASSETS		107,036,501	106,845,068
EQUITY			
Accumulated surplus		21,947,436	22,696,475
Asset revaluation reserves	9	82,518,347	82,518,347
Other reserves	9	2,570,718	1,630,246
TOTAL EQUITY		107,036,501	106,845,068

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

Regional Council of Goyder
Statement of Changes in Equity
for the year ended 30 June 2023

		Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	TOTAL EQUITY
2023	Notes	\$	\$	\$	\$
Balance at end of previous reporting period		22,696,475	82,518,347	1,630,246	106,845,068
Net Surplus / (Deficit) for Year		191,433	-	-	191,433
Other Comprehensive Income					
Transfers between reserves		(940,472)	-	940,472	-
Balance at end of period	9	<u>21,947,436</u>	<u>82,518,347</u>	<u>2,570,718</u>	<u>107,036,501</u>

2022	Notes	\$	\$	\$	\$
Balance at end of previous reporting period		21,602,702	82,518,347	1,142,392	105,263,441
Net Surplus / (Deficit) for Year		1,581,627	-	-	1,581,627
Other Comprehensive Income					
Transfers between reserves		(487,854)	-	487,854	-
Balance at end of period	9	<u>22,696,475</u>	<u>82,518,347</u>	<u>1,630,246</u>	<u>106,845,068</u>

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

Regional Council of Goyder
Statement of Cash Flows
for the year ended 30 June 2023

		2023	2022
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
Rates - general & other		6,244,104	6,072,381
Fees & other charges		137,870	139,383
User charges		1,783,361	1,510,268
Investment receipts		209,203	46,326
Grants utilised for operating purposes		4,903,717	7,949,771
Reimbursements		173,251	90,685
Other revenues		(254,951)	174,859
<i>Payments:</i>			
Employee costs		(3,536,927)	(3,763,878)
Materials, contracts & other expenses		(5,731,716)	(6,560,911)
Finance payments		(7,492)	(12,139)
Net Cash provided by (or used in) Operating Activities	11(b)	<u>3,920,419</u>	<u>5,646,745</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		225,000	286,629
Grants utilised for capital purposes		-	-
Sale of replaced assets		1,138,914	-
Repayments of loans by community groups		19,628	39,620
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(5,414,618)	(2,737,327)
Expenditure on new/upgraded assets		(1,151,938)	(526,348)
Loans made to community groups		-	(65,000)
Net Cash provided by (or used in) Investing Activities		<u>(5,183,014)</u>	<u>(3,002,426)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
<i>Payments:</i>			
Repayments of borrowings		(492,647)	(532,010)
Repayment of trusts		(6,033)	-
Net Cash provided by (or used in) Financing Activities		<u>(498,680)</u>	<u>(532,010)</u>
Net Increase (Decrease) in cash held		<u>(1,761,275)</u>	<u>2,112,309</u>
Cash & cash equivalents at beginning of period	11(a)	<u>8,451,813</u>	<u>6,339,504</u>
Cash & cash equivalents at end of period	11(a)	<u>6,690,538</u>	<u>8,451,813</u>

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

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

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 on a going concern basis using the historical cost convention in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

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

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 these Notes.

1.4 Rounding

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

2 The Local Government Reporting Entity

The Regional Council of Goyder is incorporated under the SA Local Government Act 1999 and has its principal place of business at 1 Market Square, Burra SA. These consolidated financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Other entities in which Council has an interest but does not control are reported in Note 19.

3 Income recognition

3.1 Revenue

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

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

In other cases, AASB 1058 applies when Council enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

Regional Council of Goyder

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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

	Cash Payment Received	Annual Allocation	Difference	
2020-21	\$2,846,227	\$3,462,041	-	\$615,814
2021-22	\$4,576,645	\$3,367,132	+	\$1,209,513
2022-23	\$4,069,594	\$3,449,112	+	\$620,482

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

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

3.2 Construction Contract Revenue

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

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

4 Cash, Cash Equivalents and Other Financial Instruments

4.1 Cash, Cash Equivalent Assets

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

4.2 Other Financial Instruments

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

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

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments 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.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

6.2 Materiality

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

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

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

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

Major depreciation periods for each class of asset are shown in Note 7. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

6.5 Impairment

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

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

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

6.6 Borrowing Costs

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

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Borrowings

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

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates and is recorded as part of "Payables". Interest free loans are initially recognised at fair value with any difference between fair value and proceeds recognised in the profit and loss. The loan is subsequently measured at amortised cost with interest being recognised using the effective interest rate method.

9 Provisions

9.1 Employee Benefits

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

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

Weighted average discount rate	4.17% (2022, 3.24%)
Weighted average settlement period	7 years (2022, 7 years)

An accrual is made for sick leave as the Enterprise Agreement No 9-2021 (AWU) and the Municipal Officers Enterprise Agreement No 3-2021 (ASU) provides for payouts of employee accrued sick leave of between 2.5% and 12.5% on termination of employment. The payout % is based on the length of service as at the date of termination.

Superannuation:

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

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

10 Leases

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

Council as a lessee

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

i) Right-of-use assets

Council has no right of use assets.

11 Joint Ventures and Associated Entities

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements are accounted for in accordance with AASB 128 Investments in Associates and are set out in detail in Note 18.

12 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.

13 New and amended standards and interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023
Note 2 - INCOME

	2023	2022
	\$	\$
RATES REVENUES		
<u>General Rates</u>	5,097,588	4,949,146
Less: Mandatory rebates	(26,425)	(26,202)
Less: Discretionary rebates, remissions & write offs	(368)	(589)
	<u>5,070,795</u>	<u>4,922,355</u>
<u>Other Rates</u> (including service charges)		
Landscape levy	292,651	285,707
Waste collection	470,153	448,041
Community wastewater management systems	382,189	371,341
	<u>1,144,993</u>	<u>1,105,089</u>
<u>Other Charges</u>		
Penalties for late payment	52,333	42,674
	<u>52,333</u>	<u>42,674</u>
	<u>6,268,121</u>	<u>6,070,118</u>
STATUTORY CHARGES		
Development Act fees	36,214	27,289
Town planning fees	13,262	19,171
Health & Septic Tank Inspection fees	13,565	11,092
Animal registration fees & fines	47,000	51,643
Expiation fees	225	1,671
Search fees	15,070	15,846
	<u>125,336</u>	<u>126,712</u>
USER CHARGES		
Cemetery fees	31,318	28,205
Council House Rent	7,800	15,540
Eudunda Community Centre Rent	3,900	3,900
Passport Product	137,588	135,866
Burra & Goyder Visitor Information Centre	23,178	13,850
Waste Disposal Fees	10,981	12,003
Road Rents	99,044	108,480
Burra Caravan Park Fees	302,869	207,700
Paxton Square Cottages Fees	1,042,057	814,798
Swimming Pool Fees	10,689	8,150
Sporting Reserves/Halls reimbursement	5,867	4,347
Sundry	8,238	4,194
	<u>1,683,529</u>	<u>1,357,033</u>

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME (con't)

	2023	2022
INVESTMENT INCOME	Notes	
	\$	\$
Interest on investments:		
Local Government Finance Authority	215,629	15,198
Banks & other	28	18,873
Loans to community groups	2,099	1,354
	<u>217,756</u>	<u>35,425</u>
REIMBURSEMENTS		
- for private works	79,852	36,374
- for training	-	600
- for insurance claims	1,512	7,744
- for Star Club Officer	67,779	37,200
- for Arts & Cultural Facilitator	12,500	50,000
- other	11,989	11,540
	<u>173,632</u>	<u>143,458</u>
OTHER INCOME		
Diesel fuel rebate	95,694	87,438
Rebates received	40,633	53,107
Sundry	19,936	39,811
	<u>156,263</u>	<u>180,356</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
<i>Amounts received specifically for new or upgraded assets</i>	225,000	286,629
<i>Other grants, subsidies and contributions - Capital</i>		
Local Roads and Community Infrastructure	-	1,078,050
<i>Other grants, subsidies and contributions - Operating</i>		
Untied - Financial Assistance Grant	4,069,594	4,576,645
Roads to Recovery	685,169	685,169
Star Club Officer	-	50,000
Burra Mine Office Digital Augmentation	88,500	206,500
Library & Communications	1,696	1,698
National Australia Day Council	25,250	20,000
Sundry	14,067	24,000
	<u>4,884,276</u>	<u>5,564,012</u>
	<u>5,109,276</u>	<u>6,928,691</u>

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

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME (con't)

		2023	2022
Sources of grants	Notes	\$	\$
Commonwealth government		798,919	2,276,348
State government		5,077,591	4,795,343
		<u>5,109,276</u>	<u>6,928,691</u>

Individually Significant Item

In June 2023 Grants Commission funding for 2023/24 of 100% was paid to Council. This is in contrast to 75% which was paid in advance in 2021/22.	3,143,403	2,678,314
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Conditions over grants & contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

Unexpended at the close of the previous reporting period	1,097,593	-
Less: expended during the current period from revenues recognised in previous		
Roads to Recovery Funding	-	-
Eudunda Skate Park Development	232,761	-
Burra Heritage Passport Signage Project	-	-
Burra Historic Mine Office Project	173,493	
Special Local Roads - Hill Rd sealing	-	
Subtotal	<u>406,254</u>	<u>-</u>
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions		
Roads to Recovery Funding	617,814	494,471
Eudunda Skate Park Development	-	286,629
Burra Heritage Passport Signage Project	100,000	143,000
Burra Historic Mine Office Project	-	173,493
Special Local Roads - Hill Rd sealing	200,000	-
Subtotal	<u>917,814</u>	<u>1,097,593</u>
Unexpended at the close of this reporting period	<u>2,421,661</u>	<u>1,097,593</u>
Net increase / (decrease) in assets subject to conditions in the current reporting period	<u>1,324,068</u>	<u>1,097,593</u>

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE

		2023	2022
	Notes	\$	\$
EMPLOYEE COSTS			
Salaries and Wages		2,950,420	2,900,112
Employee leave expense		339,075	400,639
Superannuation - defined contribution plan contributions	18	355,461	351,167
Superannuation - defined benefit plan contributions	18	29,751	27,912
Workers' Compensation Insurance		166,441	171,009
Other employment related costs		78,396	79,645
Less: Capitalised and distributed costs		(246,388)	(243,186)
Total Operating Employee Costs		3,673,156	3,687,298
Total Number of Employees		44	39
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		20,500	12,063
Elected members' expenses		194,170	128,946
Election expenses		29,908	1,318
Subtotal - Prescribed Expenses		244,578	142,327
<u>Other Materials, Contracts & Expenses</u>			
Contractors - General		796,041	433,416
Contractors - Raising & Crushing Rubble		420,748	818,369
Contractors - Maintenance Transport Infrastructure		281,310	257,806
Contractors - PSC, BCP, Heritage Sites		371,777	289,159
Contractors - CWMS		184,420	116,953
Materials		997,898	885,625
Electricity		229,199	188,702
Rubble		102,266	52,385
Water		71,570	94,708
Insurances - General		433,400	393,030
Contributions (Capital Projects, Ward Funds)		107,279	112,323
Levies paid to government - Landscape levy		292,689	285,550
Machinery - Registration & Insurance		173,105	171,175
IT & Communications		183,775	178,706
Sundry		863,811	664,513
Less: Capitalised and Distributed Costs		(321,125)	(287,818)
Subtotal - Other Materials, Contracts & Expenses		5,188,163	4,654,602
		5,432,741	4,796,929

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE con't

	2023	2022
Notes	\$	\$
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Buildings	394,752	395,729
Infrastructure : Sport & Recreation	153,563	151,895
Infrastructure : Transport	3,413,876	3,295,661
Infrastructure : CWMS	89,773	113,587
Infrastructure : Housing & Community Amenity	91,165	78,403
Plant & Machinery	749,526	807,632
Furniture & Fittings	100,934	96,374
	<u>4,993,589</u>	<u>4,939,281</u>
Less: Capitalised and distributed costs	<u>(353,834)</u>	<u>(477,796)</u>
	<u>4,639,755</u>	<u>4,461,485</u>
FINANCE COSTS		
Interest on Loans	<u>7,492</u>	<u>12,139</u>
	<u>7,492</u>	<u>12,139</u>

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2023	2022
	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	1,138,914	-
Less: Carrying amount of assets sold	<u>928,250</u>	<u>302,315</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	<u>210,664</u>	<u>(302,315)</u>

Note 5 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS

Cash on Hand and at Bank	67,022	103,522
Deposits at Call	4,569,714	8,348,291
Short Term Deposits & Bills, etc	<u>2,053,802</u>	<u>-</u>
	<u>6,690,538</u>	<u>8,451,813</u>

TRADE & OTHER RECEIVABLES

Rates - General & Other	712,751	584,794
Rates postponed for State Seniors	3,319	5,566
Accrued Revenues	121,419	108,983
Debtors - general	151,487	89,670
Other levels of Government	-	19,441
GST Recoupment	351,607	203,303
Prepayments	440,815	41,716
Loans to community organisations	10,752	16,960
Sundry	-	100
	<u>1,792,151</u>	<u>1,070,533</u>

INVENTORIES

Stores & Materials	<u>1,694,303</u>	<u>1,103,777</u>
	<u>1,694,303</u>	<u>1,103,777</u>

Note 6 - NON-CURRENT ASSETS

FINANCIAL ASSETS

Receivables

Loans to community organisations	<u>42,089</u>	<u>55,509</u>
TOTAL FINANCIAL ASSETS	<u>42,089</u>	<u>55,509</u>

OTHER NON-CURRENT ASSETS

Capital Works-in-Progress	<u>3,371,300</u>	<u>2,192,890</u>
	<u>3,371,300</u>	<u>2,192,890</u>

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

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

		2022				2023			
		\$				\$			
	Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land - CT - MV	2	927,000	-	-	927,000	887,000	-	-	887,000
Land - CT - DRC	3	2,549,051	37,093	-	2,586,144	2,549,051	37,093	-	2,586,144
Buildings - DRC	3	12,873,334	1,546,041	(7,637,947)	6,781,428	12,709,334	1,764,237	(7,715,005)	6,758,567
Buildings - MV	2	7,486,000	801,368	(1,292,971)	6,994,397	7,316,000	944,364	(1,424,729)	6,835,637
Infrastructure : Sport & Recreation	3	7,120,500	1,523,195	(3,283,457)	5,360,238	7,120,500	1,544,215	(3,437,020)	5,227,695
Infrastructure : Bridges	3	2,341,135	955,335	(939,470)	2,357,000	2,341,135	955,335	(981,841)	2,314,629
Infrastructure : Footpaths	3	2,419,855	537,702	(1,153,123)	1,804,434	2,419,855	743,327	(1,223,090)	1,940,092
Infrastructure : Kerbing & Gutter	3	11,657,639	196,278	(6,009,418)	5,844,499	11,657,639	557,262	(6,176,018)	6,038,884
Infrastructure : Pavement	3	30,667,144	461,655	(10,234,904)	20,893,895	30,667,144	461,655	(10,578,484)	20,550,315
Infrastructure : Drainage	3	15,863,422	1,446,445	(6,146,797)	11,163,070	15,863,422	1,646,468	(6,426,304)	11,083,586
Infrastructure : Signs	3	1,415,912	140,019	(1,278,575)	277,356	1,415,912	140,019	(1,356,372)	199,559
Infrastructure : Sealed Roads	3	10,191,725	1,522,557	(6,939,054)	4,775,228	10,191,725	2,010,733	(7,499,919)	4,702,538
Infrastructure : Sheeted Roads	3	26,946,364	6,531,513	(20,225,583)	13,252,294	26,946,364	8,913,810	(22,098,772)	13,761,402
Infrastructure : CWMS	3	6,261,415	211,347	(3,992,842)	2,479,920	6,261,415	273,387	(4,082,615)	2,452,187
Infrastructure : Housing & Community Amenity		-	3,912,582	(591,780)	3,320,802	-	4,302,500	(679,924)	3,622,576
Plant & Equipment		-	12,165,855	(6,247,974)	5,917,881	-	12,354,125	(6,676,518)	5,677,607
Minor Plant		-	431,004	(252,917)	178,087	-	435,682	(273,182)	162,500
Furniture & Fittings		-	1,958,246	(937,186)	1,021,060	-	2,120,363	(1,026,188)	1,094,175
Total IPP&E		138,720,496	34,378,235	(77,163,998)	95,934,733	138,346,496	39,204,575	(81,655,981)	95,895,093
Comparatives		139,515,199	30,372,163	(72,736,769)	97,150,593	138,720,496	34,378,235	(77,163,998)	95,934,733

This Note continues on the following pages.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2022 \$	Carrying Amounts Movement During the Year \$				2023 \$
	Carrying Amount	Additions		Disposals	Dep'n	Carrying Amount
		New / Upgrade	Renewals			
Land - CT - MV	927,000	-	-	(40,000)	-	887,000
Land - CT - DRC	2,586,144	-	-	-	-	2,586,144
Buildings - DRC	6,781,428	-	218,196	(14,960)	(226,097)	6,758,567
Buildings - MV	6,994,397	-	142,996	(133,101)	(168,655)	6,835,637
Infrastructure : Sport & Recreation	5,360,238	21,020	-	-	(153,563)	5,227,695
Infrastructure : Bridges	2,357,000	-	-	-	(42,371)	2,314,629
Infrastructure : Footpaths	1,804,434	205,625	-	-	(69,967)	1,940,092
Infrastructure : Kerbing & Gutter	5,844,499	305,566	55,418	-	(166,599)	6,038,884
Infrastructure : Pavement	20,893,895	-	-	-	(343,580)	20,550,315
Infrastructure : Drainage	11,163,070	-	200,023	-	(279,507)	11,083,586
Infrastructure : Signs	277,356	-	-	-	(77,797)	199,559
Infrastructure : Sealed Roads	4,775,228	43,521	444,655	-	(560,866)	4,702,538
Infrastructure : Sheeted Roads	13,252,294	-	2,382,297	-	(1,873,189)	13,761,402
Infrastructure : CWMS	2,479,920	-	62,040	-	(89,773)	2,452,187
Infrastructure : Housing & Community Amenity	3,320,802	29,230	367,608	(3,899)	(91,165)	3,622,576
Plant & Equipment	5,917,881	-	1,221,527	(732,540)	(729,261)	5,677,607
Minor Plant	178,087	4,678	-	-	(20,265)	162,500
Furniture & Fittings	1,021,060	4,010	173,789	(3,750)	(100,934)	1,094,175
Total IPP&E	95,934,733	613,650	5,268,549	(928,250)	(4,993,589)	95,895,093
Comparatives	97,150,593	526,348	3,499,388	(302,315)	(4,939,281)	95,934,733

This note continues on the following pages.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

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.

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

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets: There is no known market for these assets and they are valued at depreciated current replacement cost. This method involves:

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

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

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

Capitalisation thresholds used for by Council's computers is \$1,000 and a threshold of \$2,000 is utilised for remaining assets. No capitalisation threshold is applied to the acquisition of land or interests in land.

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

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

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

Plant, Furniture & Equipment

Office Equipment & Furniture	5 to 10 years
Vehicles and Road-making Equipment	5 to 20 years
Other Plant & Equipment	5 to 10 years

Building & Other Structures

Buildings	20 to 200 years
Park Structures	20 to 40 years
Playground equipment	10 to 50 years

Infrastructure

Bridges	42 to 83 years
Footpaths & Paving	43 years
Kerbing & Guttering	71 years
Pavement	77 to 100 years
Drainage	50 to 100 years
Floodways	20 to 100 years
Signs	20 years
Sealed Roads – Surface	19 to 25 years
Unsealed Roads – Surface	18 to 20 years
Reticulation Pipes	50 to 70 years
Pumps & Telemetry	15 to 20 years
Dams	100 years
Bores	20 to 40 years

Land & Land Improvements

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

The Land-MV and Land DRC asset categories were valued by Mid North Valuations as at 1st July 2018 at market value cost and current replacement value. All subsequent additions have been recognised at cost.

Buildings

The Buildings-MV and Buildings-DRC asset categories were valued by Mid North Valuations as at 1st July 2018 at market value cost and current written down value. All subsequent additions have been recognised at cost.

As at 1st July 2018 Council have recognised assets such as buildings and structures that exist on Council land yet are leased to external bodies such as Sporting Organisations, CFS and SA Ambulance. All subsequent additions have been recognised at cost. The next revaluation is scheduled to occur as at 1st July 2023.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

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

Infrastructure - Sport & Recreation

The Infrastructure - Sport and Recreation asset category was valued by Mid North Valuations as at 1st July 2018 at current written down value. All subsequent additions have been recognised at cost.

As at 1st July 2018 Council have recognised assets such as buildings and structures that exist on Council land yet are leased to external bodies such as Sporting Organisations, CFS and SA Ambulance. All subsequent additions have been recognised at cost. The next revaluation is scheduled to occur as at 1st July 2023.

Infrastructure - Transport

The following asset categories were revalued as at 1st July 2018 by Tonkin Consulting. All subsequent additions have been recognised at cost.

The next revaluation is scheduled to occur as at 1st July 2023.

1. Infrastructure – Footpaths
2. Infrastructure – Kerbing and Gutters
3. Infrastructure – Pavement
4. Infrastructure – Drainage
5. Infrastructure – Signs
6. Infrastructure – Sealed Roads
7. Infrastructure – Sheeted Roads
8. Infrastructure – Bridges

Infrastructure - CWMS

The asset category Infrastructure CWMS (Community Wastewater Management System) was revalued by Alano Water as at 1st July 2018 at depreciated current replacement cost. All subsequent additions have been recognised at cost.

The next revaluation is scheduled to occur as at 1st July 2023.

The asset category Infrastructure Housing & Community Amenity is recorded at cost.

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

Plant & Machinery, Minor Plant and Furniture & Fittings

These asset categories are recorded at cost.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 8 - LIABILITIES

	2023		2022	
	\$		\$	
TRADE & OTHER PAYABLES	Current	Non-current	Current	Non-current
Goods & Services	904,945	-	312,838	-
Payments received in advance	101,693	-	3,202	-
Accrued expenses - employee entitlements	241,464	-	142,649	-
Accrued expenses - other	40,117	-	80,297	-
Trusts	29,754	-	35,787	-
Copper Coast Council - World Heritage contribution, Australian Heritage Grants, Other	375,000	-	178,346	-
	1,171	-	906	-
	1,694,144	-	754,025	-
BORROWINGS				
Loans	-	-	152,242	340,405
	-	-	152,242	340,405

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

PROVISIONS

LSL Employee entitlements (including oncosts)	324,825	59,345	313,903	71,188
AL Employee entitlements (including oncosts)	234,779	135,880	209,880	122,544
	559,604	195,225	523,783	193,732

Movements in Provisions - 2023 year only (current & non-current)	<i>Leave & Other Provision</i>
Opening Balance	717,515
Add Unwinding of present value discounts	-
Additional amounts recognised	339,077
(Less) Payments	301,763
Unused amounts reversed	-
Add (Less) Remeasurement Adjustments	-
Closing Balance	754,829

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2022	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2023
Notes	\$	\$	\$	\$
Land	3,261,005	-	-	3,261,005
Buildings	18,749,719	-	-	18,749,719
Infrastructure : Sport & Recreation	4,077,235	-	-	4,077,235
Infrastructure : Bridges	1,922,186	-	-	1,922,186
Infrastructure : Footpaths	1,625,150	-	-	1,625,150
Infrastructure : Kerbing & Gutter	7,544,704	-	-	7,544,704
Infrastructure : Pavement	20,948,184	-	-	20,948,184
Infrastructure : Drainage	6,765,531	-	-	6,765,531
Infrastructure : Signs	605,882	-	-	605,882
Infrastructure : Sealed Roads	3,924,111	-	-	3,924,111
Infrastructure : Sheeted Roads	11,553,800	-	-	11,553,800
Infrastructure : CWMS	1,540,840	-	-	1,540,840
TOTAL	82,518,347	-	-	82,518,347
Comparatives	82,518,347	-	-	82,518,347

OTHER RESERVES	1/7/2022	Transfers to Reserve	Transfers from Reserve	30/6/2023
Ward Recreation Funds	20,109	63,078	(53,432)	29,755
Ward Capital Project Funds	87,264	128,066	(56,542)	158,788
Burra CWMS	131,951	177,390	(92,283)	217,058
Eudunda CWMS	268,334	242,260	(243,574)	267,020
Waste Management	9,793	470,153	(479,946)	-
Burra Caravan Park	242,866	302,869	(514,625)	31,110
Burra Passport Product	217,789	137,587	(88,907)	266,469
Development Fees	141,112	-	(11,700)	129,412
Burra Cemetery Headstone	2,287	-	-	2,287
Roads to Recovery	494,471	685,169	(67,355)	1,112,285
Dog Control	14,270	47,852	(62,122)	-
Brewery Cellars Project	-	356,534	-	356,534
TOTAL OTHER RESERVES	1,630,246	2,610,958	(1,670,486)	2,570,718
Comparatives	1,142,392	941,878	(454,024)	1,630,246

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - RESERVES

PURPOSES OF RESERVES

Asset Revaluation Reserve

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

(Other Reserves)

Ward Recreation Funds	for financial assistance to community groups for Sports and Recreation projects
Ward Capital Projects Funds	for financial assistance to community groups for capital projects and major maintenance of council owned buildings
Community Wastewater Management	to account for surplus from operations of the schemes to fund future expansion and upgrade of Councils CWM systems (STEDS) in the towns of Eudunda and Burra
Waste Management	to account for surplus funds from operation of the Waste Collection system, for future upgrades and capital costs
Burra Caravan Park	to account for surplus funds from operations of the Burra Caravan park for future upgrades, capital costs and maintenance
Paxton Square Cottages	to account for surplus funds from operations of the Paxton Square Cottages for future upgrades, capital costs and maintenance
Burra Passport Product	to fund the maintenance of council owned heritage sites within Burra
Development Fees	to account for any surplus of development application fees for development projects with a value over \$5 million, over and above the cost of processing the development proposal
Burra Cemetery Headstone	to account for income received for the restoration of headstones at the Burra Cemetery
Roads to Recovery	to account for Roads to Recovery Funded projects carried forward to 2023/24
Dog Control	to account for excess income over expenditure for the Dog control function - to be allocated to capital projects future years
Brewery Cellars Projects	net proceeds from the sale of the CEO house in Burra - to be utilised for Brewery Cellars projects in future years

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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

	2023	2022
CASH & FINANCIAL ASSETS	\$	\$
Unexpended amounts received from Federal Government		
 <u>Department of Industry, Science, Energy and Resources</u>		
Burra Historic Mine Office Project	-	173,493
Australian Heritage Grant - Burra Heritage Passport Signage Revitalisation Project	243,000	-
Australian Heritage Grant - Paxton Square Cottages external wall remediation	100,000	-
	<u>343,000</u>	<u>173,493</u>
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS	<u>343,000</u>	<u>173,493</u>

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2023 \$	2022 \$
Total cash & equivalent assets	5	<u>6,690,538</u>	<u>8,451,813</u>
Balances per Cash Flow Statement		<u>6,690,538</u>	<u>8,451,813</u>

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

Net Surplus (Deficit)	191,433	1,581,627
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	4,639,755	4,461,485
Net increase (decrease) in unpaid employee benefits	136,129	(83,981)
Grants for capital acquisitions treated as Investing Activity	(225,000)	(286,629)
Net (Gain) Loss on Disposals	(210,664)	302,315
	<u>4,531,653</u>	<u>5,974,817</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(727,826)	1,311,681
Net (increase) decrease in inventories	(590,526)	(117,107)
Net increase (decrease) in trade & other payables	707,118	(1,522,646)
Net Cash provided by (or used in) operations	<u>3,920,419</u>	<u>5,646,745</u>

(c) Non-Cash Financing and Investing Activities

(d) Financing Arrangements

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

Corporate Credit Cards	12,000	12,000
LGFA Cash Advance Debenture facility	1,718,435	2,266,054

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES

	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2023	2022	2023	2022
	2023	2022	2023	2022	2023	2022				
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Administration	5,170,355	5,024,832	2,751,118	2,244,751	2,419,237	2,780,082	-	-	7,595,622	8,383,833
Public Order & Safety	74,881	75,514	195,104	167,210	(120,223)	(91,696)	25,250	20,000	-	-
Health	3,591	3,766	43,006	36,168	(39,415)	(32,401)	-	-	-	-
Social Security & Welfare	14,775	14,018	39,489	39,434	(24,714)	(25,417)	-	-	-	-
Housing & Community Services	975,978	934,408	1,960,488	1,602,885	(984,510)	(668,477)	34,067	-	7,078,262	6,006,260
Sport Recreation & Culture	187,234	382,871	3,860,317	1,648,524	(3,673,083)	(1,265,653)	290,196	568,827	16,934,997	18,485,391
Agricultural Services	377,397	326,522	318,706	337,896	58,691	(11,374)	-	-	-	-
Mining & Manufacture	-	-	658,995	753,619	(658,995)	(753,619)	-	-	1,554,038	1,518,530
Transport & Communication	2,661,412	2,245,404	2,611,746	4,805,644	49,666	(2,560,240)	1,782,539	2,418,546	63,649,716	62,530,988
Economic Affairs	1,517,077	1,174,913	1,287,984	996,818	229,093	178,095	5,000	-	3,194,335	3,279,010
NEC - Other Purposes	2,526,213	4,372,916	26,191	324,903	2,500,022	4,048,013	2,972,224	3,921,318	9,478,504	8,605,243
TOTALS	13,508,913	14,555,164	13,753,144	12,957,851	(244,231)	1,597,313	5,109,276	6,928,691	109,485,474	108,809,255

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 12 (con't) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

1. Council Administration

Governance, Administration, Elected Members, Organisational support services, Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Rates Administration, Records Management, Contract Management, Customer Service, Other Support Services

2. Public Order & Safety

Dog and Cat Management, Emergency Services, Fire Prevention/protection, Citizenship Ceremonies, Australia Day celebrations, Littering, abandoned vehicles

3. Health

Health services, Immunisation, Preventive Health Services, Community Health Programmes

4. Social Security & Welfare

Community Transport Network, Services for the Aged and Disabled, Children and youth services, Family and Neighbourhood Support, Community Centres, Other Community Support

5. Housing & Community Services

Planning Services, Cemetery Administration, Public Conveniences, Sanitation & Garbage collection, Waste transfer stations, Sewerage/CWMS, support for Goyder Community Management Committees, Housing – Council Houses, Street lighting, health

6. Sport, Recreation & Culture

Burra Community School Library, Eudunda and Robertstown Community Library, Halls, Parks & gardens, Reserves, Sporting Grounds, Swimming Pools, Heritage assets, Burra Art Gallery, Burra and Eudunda TV facilities, Museums, Star Club Field Officer, Arts and Cultural Facilitator.

7. Agricultural Services

Agricultural Water, Landcare, Natural Resources Management Levy, Drum Muster Programme, Pest Control

8. Mining & Manufacture

Building Assessment, Rubble raising and quarrying

9. Transport

Bridges, Footpaths and Kerbing, Roads – sealed, Roads – formed, Roads – natural formed, Roads – unformed, Traffic Management, LGGC – roads (formula funded), and other transport

10. Economic Development & Business Undertakings

Burra & Goyder Visitor Information Centre, Regional Development, Support to Local Businesses, Tourism, Burra Caravan Park, Paxton Square Cottages, Paxton Convention Centre

11. NEC – Other Purposes

Donations, community engagement, community newsletters, LGGC – general purpose, plant hire & depots, drought recovery co-ordinator, COVID-19 activities

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023
Note 13 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

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

Terms & conditions: Deposits at call are with the LGFA returning an interest rate of 4.3% as at 30 June 2023 (2022: 0.37%). Short term deposits are with the LGFA, have an average maturity of 90 days and an average interest rate of 4.3% (2022: 1.05%).

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

Receivables - Rates & Associated

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

Terms & conditions: Secured over the subject land, arrears attract interest of 5.8% (2022: 3.05%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

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

Receivables - Fees & other charges

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

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

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

Liabilities - Creditors and Accruals

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

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

Carrying amount: approximates fair value.

Liabilities - Interest Bearing Borrowings

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

Terms & conditions: secured over future revenues, borrowings are **Cash Advance Debenture Loans**, interest is charged quarterly at variable rates between 2.8% and 4.8% (2022: 2.05% and 2.8%)

Carrying amount: approximates fair value.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 13 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2023	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<u>Financial Assets</u>					
Cash & Equivalents	6,690,538	-	-	6,690,538	6,690,538
Receivables	1,794,419	31,037	18,060	1,843,516	1,834,240
Total	8,484,957	31,037	18,060	8,534,054	8,524,778
<u>Financial Liabilities</u>					
Payables	1,412,563	-	-	1,412,563	1,412,563
Total	1,412,563	-	-	1,412,563	1,412,563

2022	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<u>Financial Assets</u>					
Cash & Equivalents	8,451,813	-	-	8,451,813	8,451,813
Receivables	2,039,310	36,597	24,055	2,099,962	2,022,739
Total	10,491,123	36,597	24,055	10,551,775	10,474,552
<u>Financial Liabilities</u>					
Payables	2,155,313	-	-	2,155,313	2,155,313
Current Borrowings	154,307	-	-	154,307	152,242
Non-Current Borrowings	-	367,979	-	367,979	340,405
Total	2,309,620	367,979	-	2,677,599	2,647,960

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

	30 June 2023		30 June 2022	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Other Variable Rates	-	-	2.07	492,647
		<u>-</u>		<u>492,647</u>

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 13 - FINANCIAL INSTRUMENTS (con't)

Net Fair Value

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

Risk Exposures:

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

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

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

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

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 14 - COMMITMENTS FOR EXPENDITURE

	2023	2022
Notes	\$	\$
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Kerbing & Footpaths	125,009	237,082
Park Infrastructure	-	12,150
Furniture & Fittings	8,472	-
Plant & Equipment	539,580	-
Drainage	64,702	-
Land Acquisition	8,816	-
	<u>746,579</u>	<u>249,232</u>
These expenditures are payable:		
Not later than one year	<u>746,579</u>	<u>249,232</u>
	<u>746,579</u>	<u>249,232</u>

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 15 - FINANCIAL INDICATORS

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

	2023	2022	2021
Operating Surplus Ratio			
<u>Operating Surplus</u>	(1.8%)	11.0%	(5.2%)
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>	(45%)	(52%)	(34%)
Total Operating Income			

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

Adjustments to Ratios

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

Adjusted Operating Surplus Ratio	(5.4%)	3.3%	(3.1%)
Adjusted Net Financial Liabilities Ratio	(22%)	(37%)	(23%)

Asset Renewal Funding Ratio

<u>Outlays on Existing Assets</u>	72%	65%	77%
Asset Renewals - IAMP			

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

Ratio Analysis:

The adjusted Operating Surplus of (1.7%) is beneath Council's minimum benchmark of 0% due to increased use of external contractors in 2022/23, increased diesel fuel prices and increased cost of plant and machinery parts and repairs.

The adjusted Net Financial Liabilities ratio of (24%) is greater than the Council minimum benchmark of 20% due to Council's financial assets being far greater than Council's financial liabilities.

The Asset Renewal Funding Ratio is 28% less than the ratio established in the Long Term Financial Plan primarily due to \$3.6M capital expenditure work in progress as at the 30th June 2023 carried forward to the 2023/24 financial year and due to be capitalised on completion in future years.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 16 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis, adjusted for timing differences associated with prepaid Federal assistance Grants required to be recognised as revenue on receipt in accordance with Australian Accounting Standards.

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.

	2023	2022
	\$	\$
Income		
<i>Rates</i>	6,268,121	6,070,118
<i>Statutory charges</i>	125,336	126,712
<i>User charges</i>	1,683,529	1,357,033
<i>Grants, subsidies and contributions - Capital</i>	-	1,078,050
<i>Grants, subsidies and contributions - Operating</i>	4,884,276	5,564,012
<i>Investment income</i>	217,756	35,425
<i>Reimbursements</i>	173,632	143,458
<i>Other income</i>	156,263	180,356
	<u>13,508,913</u>	<u>14,555,164</u>
Expenses		
<i>Employee costs</i>	(3,673,156)	(3,687,298)
<i>Materials, contracts and other expenses</i>	(5,432,741)	(4,796,929)
<i>Depreciation, amortisation and impairment</i>	(4,639,755)	(4,461,485)
<i>Finance costs</i>	(7,492)	(12,139)
	<u>(13,753,144)</u>	<u>(12,957,851)</u>
Operating Surplus / (Deficit)	(244,231)	1,597,313
<i>Timing adjustment for grant revenue</i>	(465,089)	(1,159,034)
Adjusted Operating Surplus / (Deficit)	(709,320)	438,279
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(5,414,618)	(2,737,327)
Add back Depreciation, Amortisation and Impairment	4,639,755	4,461,485
Proceeds from Sale of Replaced Assets	1,138,914	-
	<u>364,051</u>	<u>1,724,158</u>
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	(1,151,938)	(526,348)
Amounts received specifically for New and Upgraded Assets	225,000	286,629
	<u>(926,938)</u>	<u>(239,719)</u>
Annual Net Impact to Financing Activities (surplus/(deficit))	<u>(1,272,207)</u>	<u>1,922,718</u>

Note 17 - LEASES

Council does not have any leases.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 18 – SUPERANNUATION

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (10.5% in 2022-23; 10% in 2021-22). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

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

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

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

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

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 19 - INTERESTS IN OTHER ENTITIES

REGIONAL SUBSIDIARIES

Council is one of 15 Councils that are members of the Legatus Group (Central Local Government Region of SA) incorporated under the Local Government Act 1999. The net equity of Legatus at the 30 June 2022 is \$499,832 which equates to \$33,322 per member council. The financials of the group have not been included into Council's Annual Financial Statements as they are not considered to be material.

Note 20 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

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

1. LAND UNDER ROADS

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

At reporting date, Council controlled 3,467 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. LEGAL EXPENSES

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 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.

Note 21 – EVENTS OCCURRING AFTER STATEMENT OF FINANCIAL POSITION DATE

There are no significant events to be disclosed after balance date.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 22 - 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, 14 persons were paid the following total compensation:

	2023	2022
	\$	\$
Salaries, allowances & other short term benefits	722,725	676,178
Post-employment benefits	60,822	58,230
Long term benefits	-	-
Termination benefits	-	-
TOTAL	783,547	734,408

Allowances / benefits incurred in the ordinary course of performing the KMPs role, and amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

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

	2023	2022
	\$	\$
Contributions for fringe benefits tax purposes	-	-
Planning and building applications fees	-	884
Rentals for Council property	-	-
TOTAL	-	884

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

Key management personnel or close family members (including related parties) lodged no planning and building applications during the year.

One elected member has three close family members on the board of the Burra Sports and Community Club. Council made payments of \$4,805 to the club during the 2022/23 financial year. There is no outstanding payments as at 30th June 2023.

Two elected members have a financial interest in properties from which Council raised rubble and extracted water for road making purposes paying compensation for disruption and royalties at the rate applicable to third parties. The properties from which the rubble was raised and water extracted were selected by Council Staff based on the distance to the work site and the quality of the rubble for the required purpose. The total amount calculated on normal commercial terms in 2022/23 amounted to \$11,079 with \$7,484 paid by the 30th June 2023 and \$3,595 outstanding.

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 23 - Retrospective Restatement of Comparative Data

1. Restatement of Prior Period Treatment of Grant Income

Council has reviewed the treatment of grant revenue recognition for the LRCI program. As a result of the review, Council has restated comparative information to record the recognition of the grant income as revenue as at the time of receipt to better align with the requirements of the Model Financial Statements given that Council has discretion over the allocation of funding as part of the funding agreement.

Council has reviewed the treatment of grant revenue recognition for the Australian Heritage Grant - Burra Heritage Passport Signage Revitalisation project received in the 2021/22 financial year. As a result of the review, Council has restated comparative information to record the recognition of the grant as income received in advance as the project is scheduled for commencement in 2023/24 and Council does not have discretion over the allocation of funding as part of the funding agreement.

2. Restatement of Prior Period Deed of Gift Transaction

In prior periods, Council has recognised a receivable (as per note 5) and a payable in the form of Income Received in Advance (as per note 8) to recognise the Robertstown Solar Project contribution payable to Council. On review of the agreements, it was noted that the performance obligations relating to the contract between Council and external parties has not been met and accordingly the debtor has been removed. Consequently, no liability in the form of a contractual and/or legal obligation existed and accordingly, the liability recorded in prior periods has also been removed. The adjustment to the prior period information as a result of this change in treatment has resulted in no impact to the previously reported financial performance of the Council.

1. Restatement of Prior Period Treatment of Grant Income

Statement of Comprehensive Income
for the year ended 30 June 2022

	Notes	Audited 2022 \$	Adjustments	Updated 2022 \$
Income				
Grants, subsidies and contributions		5,564,012	1,078,050	6,642,062
Total Income		13,477,114	1,078,050	14,555,164
Total Expenses		12,957,851	-	12,957,851
Operating Surplus / (Deficit)		519,263	1,078,050	1,597,313
Asset Disposal and fair value adjustments		(302,315)	-	(302,315)
Amounts received specifically for new or upgraded assets		740,445	(453,816)	286,629
Net Surplus / (Deficit) transferred to Equity Statement		957,393	624,234	1,581,627
TOTAL COMPREHENSIVE INCOME		957,393	624,234	1,581,627

Statement of Financial Position

as at 30 June 2022

	Notes	Adjusted Audited 2022 \$	Adjustments \$	Updated 2022 \$
LIABILITIES				
Current Liabilities				
Trade & other payables	8	1,378,259	(624,234)	754,025
Total Current Liabilities		2,054,284	(624,234)	1,430,050
Total Liabilities		2,588,421	(624,234)	1,964,187
NET ASSETS		106,220,834	624,234	106,845,068

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 23 - Retrospective Restatement of Comparative Data

EQUITY

Accumulated Surplus	22,072,241	624,234	22,696,475
Asset Revaluation Reserve	82,518,347	-	82,518,347
Other Reserves	1,630,246	-	1,630,246
TOTAL EQUITY	106,220,834	624,234	106,845,068

Statement of Changes in Equity
for the year ended 30 June 2023

Audited		Acc'd Surplus	Asset Revaluation reserve	Other Reserves	TOTAL EQUITY
	2022	\$	\$	\$	\$
Balance at end of previous reporting period	Notes	21,602,702	82,518,347	1,142,392	105,263,441
Net Surplus / (Deficit) for Year		957,393	-	-	957,393
Other Comprehensive Income					
Transfers between Reserves		(487,854)	-	487,854	-
Balance at end of period	9	22,072,241	82,518,347	1,630,246	106,220,834

Updated		Acc'd Surplus	Asset Revaluation reserve	Other Reserves	TOTAL EQUITY
	2022	\$	\$	\$	\$
Balance at end of previous reporting period	Notes	21,602,702	82,518,347	1,142,392	105,263,441
Net Surplus / (Deficit) for Year		1,581,627	-	-	1,581,627
Other Comprehensive Income					
Transfers between Reserves		(487,854)	-	487,854	-
Balance at end of period	9	22,696,475	82,518,347	1,630,246	106,845,068

Note 15 - Financial Indicators
for the year ended 30 June 2022

	2022	2021	2020
Operating Surplus Ratio - Audited	3.9%	(5.2%)	(0.5%)
Operating Surplus Ratio - Updated	11.0%	(5.2%)	(0.5%)
Net Financial Liabilities Ratio - Audited	(52%)	(34%)	(44%)
Net Financial Liabilities Ratio - Updated	(52%)	(34%)	(44%)

Adjustments to Ratios

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

Adjusted Operating Surplus Ratio - Audited	(5.2%)	(3.1%)	3.9%
Adjusted Operating Surplus Ratio - Updated	3.3%	(3.1%)	3.9%
Adjusted Net Financial Liabilities Ratio - Audited	(35%)	(23%)	(29%)
Adjusted Net Financial Liabilities Ratio - Updated	(37%)	(23%)	(29%)

Regional Council of Goyder
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 23 - Retrospective Restatement of Comparative Data

2. Restatement of Prior Period Deed of Gift Transaction

Statement of Financial Position
as at 30 June 2021

	Notes	Audited 2021 \$	Adjustments \$	Updated 2021 \$
ASSETS				
Current Assets				
Trade & other receivables	5	2,385,841	(1,000,000)	1,385,841
Total Current Assets		9,712,015	(1,000,000)	8,712,015
Total Assets		109,366,265	(1,000,000)	108,366,265
LIABILITIES				
Current Liabilities				
Trade & other payables	8	2,291,654	(1,000,000)	1,291,654
Total Current Liabilities		3,073,519	(1,000,000)	2,073,519
Total Liabilities		4,102,824	(1,000,000)	3,102,824
NET ASSETS		105,263,441		105,263,441
EQUITY				
TOTAL EQUITY		105,263,441	-	105,263,441

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Dean Newbery
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Independent Auditor's Report

To the members of the Regional Council of Goyder

Opinion

We have audited the accompanying financial report of the Regional Council of Goyder (the Council), which comprises the statement of financial position as at 30 June 2023, statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

In our opinion, the financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the Australian Accounting Standards.

Basis for Opinion

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

Council's Responsibility for the Financial Report

The 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 to be 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 relating 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 Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Council.
- Conclude on the appropriateness of the 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.

DEAN NEWBERY



SAMANTHA CRETEN
DIRECTOR

21 September 2023

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INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE REGIONAL COUNCIL OF GOYDER

Opinion

In our opinion, the Regional Council of Goyder (the Council) has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to the Internal Controls established by the Council relating 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 2022 to 30 June 2023.

Basis for opinion

We have audited the Internal Controls of the Council under 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 2022 to 30 June 2023 have been conducted properly and in accordance with law.

We conducted our engagement in accordance with Standard 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 Auditing and Assurance Standards Board.

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

The Council's Responsibility for the 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, the 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 applying Auditing Standard *ASQC 1 Quality Control for Firms that Perform Audits and Review of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking the assurance engagement.

Assurance Practitioner's Responsibilities

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 have been conducted properly and in accordance with law.

ASAE 3150 requires that we plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operating effectively through the period. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

An assurance engagement to report on the design and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of the controls to achieve the control objectives and the operating effectiveness of the controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness to the controls that we consider necessary to achieve the control objectives identified. An Assurance engagement of this type also includes evaluating the suitability of the control objectives.

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) 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 that for which it was prepared.

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 operating effectiveness of 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.

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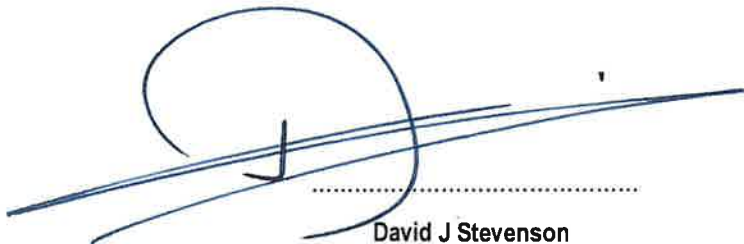
SAMANTHA CRETEN
DIRECTOR

21 September 2023

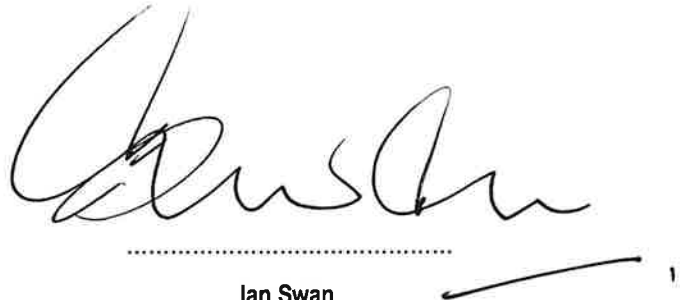
Regional Council of Goyder
Annual Financial Statements
for the year ended 30 June 2023
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Regional Council of Goyder for the year ended 30 June 2023, the Council's Auditor, Dean & Newbery Pty Ltd, 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*.



David J Stevenson
CHIEF EXECUTIVE OFFICER



Ian Swan
PRESIDING MEMBER AUDIT & RISK COMMITTEE

Date: 19 September 2023

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Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Regional Council of Goyder for the year ended 30 June 2023, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



SAMANTHA CRETEN

DIRECTOR

DEAN NEWBERY

21 September 2023