



DISTRICT COUNCIL OF  
**CLEVE**



# ANNUAL REPORT

# 2022-2023

Adopted 21 November 2023



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Photograph - Tim Phillips

# Our Region

Established on May 4, 1911, the District Council of Cleve encompasses a diverse and vibrant region with three primary towns: Arno Bay, Cleve, and Darke Peak. Each of these towns offers its own unique attributes and contributions to the district.

Arno Bay is a coastal town known for its pristine beaches and an award-winning boardwalk that offers tranquil strolls along the coastline.

Cleve on the other hand, stands out for its artistic flair, with streets adorned by one-of-a-kind reclaimed metal sculptures.

Darke Peak is home to Carappee Hill an ancient monolithic peak that boasts the highest elevation on the Eyre Peninsula and offers panoramic views of the surrounding landscape.

The district's prosperity has long been tied to its agricultural activities, ranging from livestock farming to the bulk handling of cereal grains and oilseeds. This sector is a significant source of employment within the district with bulk grain-handling facilities in several towns.

Beyond its agricultural roots, the district is evolving and diversifying by embracing new industries focused on regeneration and sustainability. This shift reflects a broader trend toward green initiatives and forward-looking economic development.

The Council has actively invested in enhancing the Cleve Showgrounds RV Park. This initiative encompassed the addition of extra powered sites, the establishment of a state-of-the-art camp kitchen, and the construction of a modernised toilet and shower facility. These improvements have not only revitalised the layout but have also expanded the park's capacity for accommodating recreational vehicles (RV's) resulting in a boost to Cleve's economic inflow.

Cleve's recreational amenities include well-maintained picnic areas and playgrounds. The newly opened Cleve Playspace and Pump Track was designed to provide an open and enjoyable environment for children and families. It is situated right next to the Cleve sporting oval and club rooms. Arno Bay has Turnbull Park offering a pleasant stop point for travellers, with its jumping pillow and convenient location within walking distance to the jetty and foreshore.

For those interested in natural attractions, the Yeldulknie Weir and Reservoir is a notable site featuring a heritage listed wheelhouse and scenic bush walks along the creek. Additionally, the district offers a range of hiking trails such as the Yeldulknie Conservation Park Hiking trail in Cleve. Known locally as the "waterfall walk." For a more challenging trek adventurers can tackle the 2.5-hour return hike to Carappee Hill Conservation Park reaching the Eyre Peninsula's highest point at 495 meters above sea level.

The District Council of Cleve covers an expansive area of 501,885 hectares and serves a population of approximately 1,742 people (according to the 2021 census). The Council manages assets valued at approximately \$60 million. This includes critical infrastructure such as an airport, road networks, footpaths, effluent drainage systems, playgrounds, and community halls.

In conclusion, the District Council of Cleve remains rooted in its agricultural heritage while adapting to the changing landscape with a focus on sustainability and regeneration for future growth.

CLEVE PLAYSPACE  
Officially Opened December 2022



# General Information



**1,742\***  
District  
Population



**52%**



**48%**

Median age 46 years

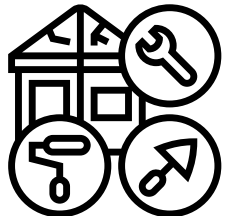


District Area 501,885 ha



Animals Registered  
**457 (360 Dogs / 97 Cats)**  
(Compared with 424 in 2021/22)

Development Applications Approved **29**  
(Compared with **19** in 2021/22)  
Value of Development  
Applications **\$7,402,925**  
(Compared with \$680,052 in 2021/22)



Road Length  
Council Owned **1,560km**  
State Government Owned **170km**



Average Rainfall **463mm\*\***  
(Compared to 473.2mm 2021-22)

Capital Value of Rateable Properties \$931,720,200 Number of Rateable  
Properties **1547**



Office Opening Times  
**8:30am - 5:00pm**  
Monday to Friday



**30km Foreshore length**

\*Population and District Area information obtained through Australian Bureau of Statistics 2021  
\*\*Rainfall data obtained from Bureau of meteorology Daily weather observations

# A Message from Council

Welcome to the 2022-2023 Annual Report!

What a year it has been for the District Council of Cleve.

We have been on the move, from hosting the incredible 85th Eyre Peninsula Local Government Association Conference in September 2022, right here in Cleve. This set the foundations for an exciting year for the district.

November 2022 saw a new elected body (including past and new Elected Members), we welcome them to work closely with staff and the community.

This past year we have been hard at work, organising and taking part in a range of civic events - Senior Citizen Luncheon, Remembrance Day, Cleve Christmas Pageant, Citizen of the Year celebrations, ANZAC Day Service and a heartwarming Citizenship Ceremony. These events brought generations together and it was uplifting to witness our community's unity and active participation.

At the heart of our journey sits a community focused Council, where our residents and local industries are always front and centre, where we are working together on rebuilding our population, creating new jobs and improving the livability and community services across the district. It has been fantastic to see the positive outcomes from our recent Community Grants program and Commercial Shopfront Renewal Grants program coming to fruition. It is these community led initiatives that help us all give back to our community and invigorate our local businesses, creating an ongoing ripple of positive change with our district being a great place to live.

Our commitment to the future is unwavering and it is embodied in our youth. We are empowering them to thrive in a world that is ever-changing. Through initiatives like the 3-year Champions Academy School Program, we are equipping our Year 3, 5 and 7 students at the Cleve Area School with the skills and knowledge they need to flourish. The Cleve Motor Trade Association is a true success story that continues to prosper with significant plans to expand. A bright future awaits our district's young talent, inspiring them to not only dream about their future here but to actively shape it. This training ensures that Cleve remains a thriving community for generations to come.

Our recent investments in infrastructure, Like the Arno Bay Coastal Boardwalk, the Cleve Playspace and the Cleve Showgrounds RV Park are not just boosting tourism, they are elevating the district's livability to new heights. We are on a mission together to create a district where people are not only proud but want to live and work here for years to come.

We have a promising future investment pipeline of more than \$2 billion, including the Photon Energy renewable energy power station, CH4 Global seaweed hatchery and processing facilities, the expansion of the Clean Seas hatchery and grow-out pens at Arno Bay, the Renascor graphite mine and most recently the Vestas, Campoona Windfarm. These 21st century major projects are attracting global interest and will undoubtedly change the face of our district, positioning us as an example of future sustainable and regenerative industries.



We would like to acknowledge and express our gratitude and confidence in our new Councillor team. Since their election they have shown remarkable dedication and initiative in grabbing the “bull by the horns” and working diligently to meet our Council’s strategic objectives.

The community has placed their faith in this team and we share that confidence in their ability to steer us toward an even brighter and more prosperous future.

We want to also take a moment to express our appreciation to our dedicated Council staff. They consistently go above and beyond in serving our local community, tirelessly pursuing our vision and the objectives set out in our Strategic Plan. Their unwavering commitment often calls for long hours and the juggling of multiple responsibilities within our team. This collective effort consistently leads to achievements that surpass all expectations.

Looking ahead, it is worth noting that the District Council of Cleve has entered a new era with a fresh brand and identity.

The council looks forward to a brighter and more sustainable future for our district, filled with exciting opportunities and new challenges.



A handwritten signature in black ink, appearing to read 'Phil Cameron'.

Phil Cameron  
Mayor



A handwritten signature in black ink, appearing to read 'David Penfold'.

David Penfold  
Chief Executive Officer



# Strategic Plan 2020-2025



## Our Vision 2025

A thriving district of inclusive and supportive rural and coastal communities enjoying a safe, well-serviced and relaxed country lifestyle.

The District Council of Cleve's Strategic Plan 2020-2025, adopted on 9 June 2020 details the following:

- What Council will do during its term in office to contribute to the social, economic and environmental well-being of its community.
- Identifies strategic directions, strategies and key projects and services that Council will deliver over the 5-year period.
- Broadly describes the links with regional, state and national objectives; and
- Meets legislative requirements.

The Council's strategic direction is expressed in a number of goals and objectives, namely:

### Goal 1: A Connected, Resilient and Thriving Community

#### OUTCOMES

- A place where people want to live, want to stay and want to return to.
- Communities that are unique and proud. Where people feel part of their local community and also feel connected with their district. With a sense of pride and ownership beyond their front door.
- Vibrant communities that are active and engaged.
- A high level of resilience and optimism about the future despite adversity.
- A district where people feel safe.

#### STRATEGIES

- Develop a sense of community engagement and participation in district-wide events and facilities.
- Promote community assets for the benefit of all across the district.
- Continue to support valuable community events.
- Provide support to community groups in delivering well-run, meaningful community events if required.
- Provide support to local sporting clubs, social clubs and committees.
- Encourage and support healthy living and well-being through community programs and the provision of recreational facilities such as walking trails, playgrounds etc.
- Partner with local mental health and wellbeing groups.
- Continue Council's commitment to Australia Day awards.
- Encourage and support a high level of volunteer participation.



## Goal 2: A Sustainable Population

### OUTCOMES

- Retention of a high level of essential services across the district including hospital, medical, school, police, ambulance, CFS and SES.
- Improved power, water and telecommunications services across the district.
- Services that cater to the diverse and changing needs of all within our community including our youth and ageing populations.
- Facilities and services that support retention of families and youth within our district and which presents the district as an attractive resettlement proposition.
- Services for aged that makes our district an appealing retirement offering.
- Growth in resettlement within our district of people working within adjacent and surrounding communities.
- Preservation of the natural environment along with sustainable, managed access to our coast and other natural asset

### STRATEGIES

- Advocate to all levels of Government and other Stakeholders for retention and improvements to essential services.
- Advocate for reliable power water and telecommunications.
- Advocate for improved aged care options.
- Encourage the provision of in-home services under the National Disability Scheme in the district.
- Support renewable energy initiatives.
- Maintain township infrastructure, streetscapes, parks and open spaces to a high standard.
- Identify measures to encourage and promote community pride.
- Advocate for retained access to natural assets in a manageable and sustainable manner.
- Pursue meaningful ways of engaging with and supporting our youth population.
- Continue to monitor community safety measures to mitigate extreme weather events and natural disasters.
- Promote and support community safety initiatives including advocating for improved fire safety.
- Encourage the development of public arts.
- Enhance the unique identity and heritage of our townships through the development of their public spaces.
- Advocate for the care, protection and recognition of environmental, heritage and cultural assets.

## Goal 3: Prosperous Local Economy

### OUTCOMES

- A prosperous and diverse local economy.
- Successful and sustainable local industries and businesses.
- Increased economic activity including continued investment and innovation.
- A broad range of employment opportunities within the district.

## Goal 3: Prosperous Local Economy cont'd

### STRATEGIES

- Develop an economic development plan for the district.
- Encourage and support economic development.
- Continue to support economic initiatives provided by Regional Development Australia (RDA).
- Support local businesses through networking events and the provision of demographic and economic data that Council accesses.
- Explore measures to encourage retained spending within the local economy.
- Investigate options for an Economic Development resource within Council.
- Advocate for development of local mining to provide employment opportunities and investment in the district.
- Ensure more effective and efficient commitment of Council resources (monetary and other) in tourism initiatives and resources.
- Work with local tourism operators to improve standard of tourism facilities.
- Further develop and enhance tourism infrastructure such as RV parks and camping facilities.

## Goal 4: Quality Services and Infrastructure

### OUTCOMES

- A well-maintained and enhanced road network supporting the needs of community, local businesses, and visitors.
- A high standard of services catering to the diverse and changing needs of our community.
- Effective and efficient management of community infrastructure and assets for current and future generations.
- Provision of a high standard of customer experience and service.

### STRATEGIES

- Advocate to State and Federal Governments for greater financial assistance to support the maintenance and upgrading of the road network.
- Advocate for local industry and educational institutions in support of funding and other opportunities.
- Enhance facilities for youth such as the provision of a BMX track or trail through parks.
- Further development of recreation areas and playgrounds.
- Provide professional development for Council staff and Elected.
- Members to foster continuous improvement in all aspects of Council's performance.
- Continue the development, review and implementation of Council's asset management plans.
- Provide efficient and effective development services and wherever possible pursue development that is sympathetic to the region.
- Pursue effective consultation and engagement measures when planning and implementing new services and infrastructure.
- Continue to explore cost-effective means of resourcing within Council including via shared service arrangements with neighbouring Councils.
- Exercise sound financial management that ensures effective planning for the short, medium and long term.
- Drive continuous improvement in service delivery by collecting community and customer feedback on services.
- Advocate for retention of jetties.

## Goal 5: An Engaged Community

### OUTCOMES

- Proactive and consultative leadership on community issues and priorities with a genuine desire to engage with the community through accessibility, openness and a willingness to listen and consider.
- A high level of community confidence in the transparency and accountability of Council's decision making.
- All communities are considered and have a voice.

### STRATEGIES

- Enhance and develop relationships within Government, Non-Governmental Organisations, and other Stakeholders in advocating for the community.
- Utilise improved communication mediums appropriate to the diversity of our community and their needs to improve communication delivery and access.
- Pursue broader engagement with Stakeholders in the community utilising effective consultation and feedback mechanisms as well as
- Improving access to ensure Council is attuned to the important issues and concerns.
- Represent Council at schools to increase civic awareness and support the next generation of community leaders and volunteers.
- Continue to pursue transparency and accountability in decision making through Council's policies, procedures and supported by the Audit Committee as an independent body.
- Encourage greater diversity on Council.
- Continue to support community groups through a range of means including Council's Community Grants Program.



*"A thriving district of inclusive and supportive rural and coastal communities enjoying a safe, well-serviced and relaxed country lifestyle"*



# Vision, Mission & Values

## Vision

A thriving district of inclusive and supportive rural and coastal communities enjoying a safe, well-serviced and relaxed country lifestyle.

## Mission

### **Council's mission or purpose is to:**

- Providing leadership and working with our community to meet their expectations.
- Fostering a sense of community and inclusion.
- Delivering quality community services and providing, maintaining and improving community facilities.
- Encouraging economic development and maintenance of a sustainable population.
- Engaging with community and working with Stakeholders.
- Being financially responsible in its decision making.

## Values

### **Council's Elected Members and staff are committed to the following values (or principles) in everything they do:**

#### **Efficient**

We continuously explore ways to improve our efficiency in meeting community outcomes and be dependable in delivering quality services, infrastructure and facilities.

#### **Consultative**

We listen to our community's needs and aspirations and are consultative in our delivery.

#### **Respectful**

We demonstrate care and empathy in our processes, considerations and dealings within and beyond Council.

#### **Integrity**

We act with honesty and integrity in our dealings and are transparent in our decision making.

#### **Innovative**

We embrace innovation in pursuing quality and sustainable services, infrastructure and facilities.

#### **Supportive**

We embrace our role in supporting the community and fostering a sense of inclusion and pride.

# The Executive Team



**DAVID PENFOLD**  
CHIEF EXECUTIVE OFFICER

- Governance
- Elected Members
- Elections
- Economic Development
- Strategic Planning
- Policy / By-laws
- Human Resources
- Risk Management

**Salary Package \$219,700.00**

Plus Superannuation (statutory rate)  
Includes: Subsidised house rental, full private use vehicle, mobile phone / iPad and uniform allowance.

**Operational Expenses**

• Credit Card Expenditure	\$12,302.35
• Travel and Accommodation	\$14,128.81
• Interstate Travel and Accommodation	\$0

**GRANT CROSBY**  
MANAGER INFRASTRUCTURE & CIVIL WORKS

- Contracts
- Marine Structures
- Playgrounds
- Fire Prevention
- Animal Management
- Plant and Equipment
- Cemeteries
- Parks and Gardens
- Road Infrastructure
- Traffic Control
- Waste Management
- Aerodromes
- Asset Management
- Event Management
- Special Projects



**Salary Package \$128,700.00**

Plus Superannuation (statutory rate)  
Includes: Full private use vehicle, mobile phone / iPad and uniform allowance.

**Operational Expenses**

• Credit Card Expenditure	\$19,092.65
• Travel and Accommodation	\$0
• Interstate Travel and Accommodation	\$0

**MEISHA QUINN - December 2022**

MANAGER CORPORATE SERVICES

- Financial Management
- Rates
- Information Technology
- Land and Building
- Community Land
- Building and Planning
- Leases / Licences
- Sport and Recreation
- Insurances
- Health
- Heritage
- Records Management
- Work Health and Safety
- Tourism
- Annual Report
- Aged and Youth
- Community Development
- Culture / Art
- Libraries
- Volunteer Management



**Salary Package \$111,088.00**

Plus Superannuation (statutory rate)  
Includes: Productivity allowance, mobile phone / iPad and uniform allowance.

**Operational Expenses**

• Credit Card Expenditure	\$71.92
• Travel and Accommodation	\$0
• Interstate Travel and Accommodation	\$0



## Employee Expenditure

Employees Expenditure (excluding Chief Executive Officer, Manager Corporate Services and Manager Infrastructure and Civil Works)

Administration Credit Card Expenditure	\$6,217.38
Travel / Accommodation	\$3,132.65
Interstate / International Travel	\$0

## Legal Costs

The Local Government Act requires council to include the amount of legal costs incurred in the relevant financial year.

Total Legal costs incurred for the 2022/2023 financial year: \$166,491.53

## Freedom of Information Statement

This information statement is published by the District Council of Cleve in accordance with the requirements of Section 9 of the Freedom of Information Act 1991.


## Certificates Issued Under Section 9(1a)

One (1) certificate relating to Freedom of Information (FOI) were issued under Section 9 (1a) of the Freedom of Information Act 1991 in the 12 months to 30 June 2023.

FOI enquiries or requests would normally be addressed to:

**Chief Executive Officer**  
**District Council of Cleve**  
**PO Box 36**  
**CLEVE SA 5640**

## Gifts & Benefits

Date & Time Received	EM / Staff	Receiver of Benefit	Description of Gift or Benefit	Value	Name of Donor	Reason for Acceptance	Signature
12/12/2022 at 10am	K Crosby	Admin Dept	Food Hamper	\$50	Whyalla Conveyancers	Thank you for assistance in completing Section 7 Searches during 2022	 David Penfold, CEO



# Elected Members

JULY 2022 - OCTOBER 2022

## PHIL CAMERON - MAYOR



**Council Meeting Attendance:	Attended 4/5
*Annual Allowance:	\$27,932.00
Part Year Payment Received:	\$11,498.04
Training and Development:	\$663.64

### Operational Expenses

Credit Card Expenditure:	\$4,622.65
Travel and Accommodation	\$2,273.41
Interstate Travel & Accommodation:	\$0

## ROBERT QUINN - DEPUTY MAYOR



**Council Meeting Attendance:	Attended 5/5
*Annual Allowance:	\$8,728.75
Part Year Payment Received:	\$3,593.14
Training and Development:	\$413.64

### Operational Expenses

Travel and Accommodation:	\$786.04
Interstate Travel & Accommodation:	\$0

## GREG COOK - ELECTED MEMBER



**Council Meeting Attendance:	Attended 4/5
*Annual Allowance:	\$7,692.00
Part Year Payment Received:	\$2,874.51
Training and Development:	\$0

### Operational Expenses

Travel and Accommodation:	\$0
Interstate Travel & Accommodation:	\$0

## GRANT FENNELL - ELECTED MEMBER



**Council Meeting Attendance:	Attended 4/5
*Annual Allowance:	\$7,692.00
Part Year Payment Received:	\$2,874.51
Training and Development:	\$413.64

### Operational Expenses

Travel and Accommodation:	\$786.04
Interstate Travel & Accommodation:	\$0

# Elected Members

JULY 2022 - OCTOBER 2022

## COLIN RAYSON - ELECTED MEMBER



**Council Meeting Attendance:	Attended 3/5
*Annual Allowance:	\$8133.00 (includes Travel allowance \$441.00)
Part Year Payment Received:	\$2,874.51 (includes travel allowance)
Training and Development:	\$413.64
<b>Operational Expenses</b>	
Travel and Accommodation:	\$823.01
Interstate Travel & Accommodation:	\$0

## CHRIS TARRAN - ELECTED MEMBER

**Council Meeting Attendance:	Attended 3/5
*Annual Allowance:	\$7,692.00
Part Year Payment Received:	\$2,874.51
Training and Development:	\$0

### Operational Expenses

Travel and Accommodation:	\$0
Interstate Travel & Accommodation:	\$0



## BRYAN TRIGG - ELECTED MEMBER



**Council Meeting Attendance:	Attended 4/5
*Annual Allowance:	\$7,692.00
Part Year Payment Received:	\$2,874.51
Training and Development:	\$0

### Operational Expenses

Travel and Accommodation:	\$0
Interstate Travel & Accommodation:	\$0

### \*Annual Allowance

Includes sitting fees, travel time allowances as per the Remuneration Tribunal Determination. Fuel is reimbursed to Elected Members for council-related travel.

### \*\*Meetings

Council meetings are held the second Tuesday of every month, commencing at 2.30pm in the Council Chambers, 10 Main Street, Cleve. Council meetings are open to the public.



# Elected Members

NOVEMBER 2022 - JUNE 2023

## PHIL CAMERON - MAYOR

### Training Completed

Council Meeting Procedures, Effective Communication & Negotiating Skills, Financial Management (Part A), Financial Management (Part B), Gifts and Benefits Register, Information and Briefing Sessions, Introduction to Conflict of Interest, Introduction to Integrity Framework, Public Officer Obligations, Behavioural Standards, Introduction to Local Government, Leadership Skills (Part A) Strategic Thinking and Change Management, Leadership Skills (Part B) Resilience, Legal Protections and Oversight, Mandatory Training Requirements (Overview), Mayor Behaviour Public Speaking & Media, Mayor Civic Effective Meetings (Chairing), Mayor Civic Meeting Procedures (Technical Knowledge), Member Allowances and Benefits & Council's Policy, Outline Roles of Mayor / Members / CEO, Overview of how Council Meetings Operate - Reports, Agendas, Notices of Meetings (and Special Council Meetings), Primary Returns, Registers, Returns and Resources, Representing Council Decisions, Role of a Council Member, Strategic Management Planning and Performance, Values, Ethics & Behaviour (Technical).

### Elected Member Information

\*\*Council Meeting Attendance: Attended 9/11  
\*Annual Allowance: \$28,768.00  
Part Year Payment Received: \$16,984.94  
Training and Development: \$4,007.09

### Operational Expenses

Credit Card Expenditure: \$2,189.07  
Travel and Accommodation: \$4,437.84  
Interstate Travel & Accommodation: \$0

### Training Completed

Council Meeting Procedures, Effective Communication & Negotiating Skills, Financial Management (Part A), Financial Management (Part B), Gifts and Benefits Register, Introduction to Conflict of Interest, Introduction to Local Government, Leadership Skills (Part A) Strategic Thinking and Change Management, Leadership Skills (Part B) Resilience, Legal Protections and Oversight, Mandatory Training Requirements (overview), Member Allowances and Benefits & Council Policy, Outline roles of Mayor / Members / CEO, Overview of how Council Meetings Operate - Reports, Agendas, Notices of Meetings (and Special Council Meetings), Primary Returns, Registers, Returns and Resources, Representing Council Decisions, Role of a Council Member, Strategic Management Planning and Performance, Values, Ethics and Behaviour (Behavioural), Values, Ethics and Behaviour (Technical), Introduction to Integrity Framework, Public Officer Obligations, Behavioural Standards and Information and Briefing Sessions.

### Elected Member Information

\*\*Council Meeting Attendance: Attended 10/11  
\*Annual Allowance: \$8,990.00  
Part Year Payment Received: \$5,307.79  
Training and Development: \$2,483.15

### Operational Expenses

Travel and Accommodation: \$373.94  
Interstate Travel & Accommodation: \$0

## GRANT FENNELL - DEPUTY MAYOR



# Elected Members

NOVEMBER 2022 - JUNE 2023

## GREG CLAUGHTON - ELECTED MEMBER

### Training Completed

Council Meeting Procedures, Effective Communication & Negotiating Skills, Financial Management (Part A), Financial Management (Part B), Gifts and Benefits Register, Information and Briefing Sessions, Introduction to Conflict of Interest, Introduction to Integrity Framework, Public Officer Obligations, Behavioral Standards, Introduction to Local Government, Leadership Skills (Part A) Strategic Thinking and Change Management, Leadership Skills (Part B) Resilience, Legal Protections and Oversight, Mandatory Training Requirements (overview), Member Allowances and Benefits & Council Policy, Outline roles of Mayor / Members / CEO, overview of how Council Meetings Operate - Reports, Agendas, Notices of Meetings (and Special Council Meetings), Primary Returns, Registers, Returns and Resources, Representing Council Decisions, Role of a Council Member, Strategic Management Planning and Performance, Values, Ethics & Behaviour (Behavioural) & Values, Ethics & Behaviour (Technical).

### Elected Member Information

**Council Meeting Attendance:	Attended 11/11	<b>Operational Expenses</b>	
*Annual Allowance:	\$7,923.00	Travel and Accommodation:	\$373.94
Part Year Payment Received:	\$4,977.24	Interstate Travel &	
Training and Development:	\$2,483.15	Accommodation:	\$0

### Training Completed

Council Meeting Procedures, Effective Communication & Negotiating Skills, Financial Management (Part A), Financial Management (Part B), Gifts and Benefits Register, Information and Briefing Sessions, Introduction to Conflict of Interest, Introduction to Integrity Framework, Public Officer Obligations, Behavioral Standards, Introduction to Local Government, Leadership Skills (Part A) Strategic Thinking and Change Management, Leadership Skills (Part B) Resilience, Legal Protections and Oversight, Mandatory Training Requirements (overview), Member Allowances and Benefits & Council Policy, Outline roles of Mayor / Members / CEO, Overview of how Council Meetings Operate - Reports, Agendas, Notices of Meetings (and Special Council Meetings), Primary Returns, Registers, Returns and Resources, Representing Council Decisions, Role of a Council Member, Strategic Management Planning and Performance, Values, Ethics & Behaviour (Behavioural), & Values, Ethics & Behaviour (Technical).

### Elected Member Information

**Council Meeting Attendance:	Attended 11/11	<b>Operational Expenses</b>	
*Annual Allowance:	\$8,377.00 (includes travel allowance \$454.00)	Travel and Accommodation:	\$0
Part Year Payment Received:	\$5,431.24 (includes travel allowance)	Interstate Travel &	
Training and Development:	\$2,483.15	Accommodation:	\$0

## JAKE EMANS - ELECTED MEMBER



# Elected Members

NOVEMBER 2022 - JUNE 2023

## ROBERT QUINN - ELECTED MEMBER

### Training Completed

Council Meeting Procedures, Effective Communication & Negotiating Skills, Financial management (Part A), Financial Management (Part B), Gifts and Benefits Register, Information and Briefing Sessions, Introduction to Conflict of Interest, Introduction to Integrity Framework, Public Officer Obligations, Behavioral Standards, Introduction to Local Government, Leadership Skills (Part A) Strategic Thinking and Change Management, Leadership Skills (Part B) Resilience, Legal Protections and Oversight, Mandatory Training Requirements (overview), Member Allowances and Benefits & Councils Policy, Outline roles of Mayor / Members / CEO, Overview of how Council Meetings Operate - Reports, Agendas, Notices of Meetings (and Special Council Meetings), Primary Returns, Registers, Returns and Resources, Representing Council Decisions, Role of a Council Member and Strategic Management Planning and Performance.



### Elected Member Information

**Council Meeting Attendance:	Attended 10/11	<b>Operational Expenses</b>	
*Annual Allowance:	\$7,923.00	Travel and Accommodation:	\$0
Part Year Payment Received:	\$4,977.24	Interstate Travel &	
Training and Development:	\$2,483.15	Accommodation:	\$0

### Training Completed

Council Meeting Procedures, Effective Communication & Negotiating Skills, Financial Management (Part A), Financial Management (Part B), Gifts and Benefits Register, Information and Briefing Sessions, Introduction to Conflict of Interest, Introduction to Integrity Framework, Public Officer Obligations, Behavioral Standards, Introduction to Local Government, Leadership Skills (Part A) Strategic Thinking and Change Management, Leadership Skills (Part B) Resilience, Legal Protections and Oversight, Mandatory Training Requirements (overview), Member Allowances and Benefits & Council Policy, Outline roles of Mayor / Members / CEO, Overview of how Council Meetings Operate - Reports, Agendas, Notices of Meetings (and Special Council Meetings), Primary Returns, Registers, Returns and Resources, Representing Council Decisions, Role of a Council Member, Strategic Management Planning and Performance, Values, Ethics & Behaviour (Behavioural) & Values, Ethics & Behaviour (Technical).

### Elected Member Information

**Council Meeting Attendance:	Attended 11/11	<b>Operational Expenses</b>	
*Annual Allowance:	\$7,923.00	Travel and Accommodation:	\$0
Part Year Payment Received:	\$4,977.24	Interstate Travel &	
Training and Development:	\$2,483.15	Accommodation:	\$0

## KELLY RICHARDSON - ELECTED MEMBER



# Elected Members

NOVEMBER 2022 - JUNE 2023

## BRYAN TRIGG - ELECTED MEMBER

### Training Completed



Council Meeting Procedures, Effective Communication & Negotiating Skills, Financial Management (Part A), Gifts and Benefits Register, Information and Briefing Sessions, Introduction to Conflict of Interest, Introduction to Integrity Framework, Public Officer Obligations, Behavioral Standards, Introduction to Local Government, Leadership Skills (Part A) Strategic Thinking and Change Management, Leadership Skills (Part B) Resilience, Legal Protections and Oversight, Mandatory Training Requirements (overview), Member Allowances and Benefits & Council Policy, Outline roles of Mayor / Members / CEO, Overview of how Council Meetings Operate - Reports, Agendas, Notices of Meetings (and Special Council Meetings), Primary Returns, Registers, Returns and Resources, Representing Council Decisions, Role of a Council Member & Strategic Management Planning and Performance.

### Elected Member Information

**\*\*Council Meeting Attendance:** Attended 11/11  
**\*Annual Allowance:** \$7,923.00  
**Part Year Payment Received:** \$4,977.24  
**Training and Development:** \$2,483.15

### Operational Expenses

**Travel and Accommodation:** \$0  
**Interstate Travel & Accommodation:** \$0

### \*Annual Allowance

Includes sitting fees, travel time allowances as per the Remuneration Tribunal Determination. Fuel is reimbursed to Elected Members for council-related travel.

### \*\*Meetings

Council meetings are held the third Tuesday of every month, commencing at 2.30pm in the Council Chambers, 10 Main Street, Cleve. Council meetings are open to the public.



# Elected Member Gifts

Regulation 35(2) of the Local Government (General) Regulations 2013, requires Council to summarise the details (including the cost) of any gifts above the value of \$50 provided to members of the council during the relevant financial year funded in whole or in part by the council.

Total cost of gifts incurred for the 2022/2023 financial year: \$5,904.89

Costs include gifts, hospitality / events and catering.

## Member Behaviour

### Behavioural Standards

Under section 75G Health and Safety duties of the Local Government Act, Council must take reasonable care that the Elected Member's acts or omissions do not adversely affect the health and safety of other Members of Council or employees of the Council.

Council is to comply, so far as the Member is reasonably able, with any reasonable direction that is given by a responsible person for the purposes of ensuring that the Member's acts or omissions do not adversely affect the health and safety of other Members of the Council or employees of the Council.

There were no reported contraventions reported to the Behavioural Standards Panel during the 2022-2023 financial year and therefore no cost incurred.

CLEVE RV Park

Opened 2022



# Council Representation Quota & Periodic Review

Section 12(4) of the Local Government Act 2021 (“the Act”) requires Council to conduct an elector representation review at least once in every 8 years.

Council commenced a review in the second half of 2016. At that time Council had the following structure and composition:

- The principal member of Council was a Chairperson (with the title of Mayor) elected by and from the elected members.
- The Council district was not divided into wards.

After completion of the relevant processes and consultation in September 2017, Council resolved to adopt the following future structure and composition of Council:

- The principal member of Council continues to be a Chairperson (with the title of Mayor) selected by and from amongst the elected members.
- The Council area is not divided into wards (the existing ‘no ward’ structure retained).
- The elected body of Council comprises 7 Area Councillors.

Changes to Council’s composition as a consequence of this review came into effect at the November 2018 Local Government election.

The following table provides the average representation quota for Councils of a similar size and type to the District Council of Cleve (Rural Agricultural Small (RAS)).

COUNCIL	ELECTORS	COUNCILLORS	QUOTA (INC MAYOR)
Cleve	1262	7	180
Elliston	724	8	90
Flinders Ranges	1176	9	130
Franklin Harbour	921	6	153
Karoonda East Murray	724	7	103
Kimba	729	7	104
Orroroo Carrieton	652	6	108
Robe	1352	7	193
Streaky Bay	1651	8	206
Wudinna	816	7	116
<b>Total</b>	<b>10007</b>	<b>72</b>	<b>1,383</b>

Source: Local Government Association - Representation Quotas 2022-23 Local Government of SA - Current as at last collection of elector figure statistics for House of Assembly (30/06/2023) and council supplementary roll (28/02/2023).



# Confidentiality Provision

Council will hold all meetings in public, except in special circumstances where the public may be excluded from attendance from a part of a meeting where it is necessary to receive, discuss or consider in confidence any information or matters listed in Section 90 of the Local Government Act 2021.

Council held Twelve (12) Ordinary meetings and Four (4) Special meetings during 2022-23.

Total number of orders made under section 90(2) of the Act in 2022-23: 18

The date and subject of each order within the ambit of section 90 (2):

- 15 July 2022 'Cleve Regional Boarding House Project - T105'
  - 16 August 2022 'Outstanding Rates as at 30 June 2022'
  - 16 August 2022 'Arno Bay Public Convenience Cleaning Contract'
  - 5 September 2022 'Grader Tender - Tender T109'
  - 5 September 2022 'Heavy Rigid Truck Tender - Tender T110'
  - 5 September 2022 'Fuel Supply Contract - Tender T097'
  - 29 November 2022 'Manager of Infrastructure & Civil Works Vehicle Quotation'
  - 29 November 2022 'Works Supervisor Vehicle Quotation'
  - 29 November 2022 'Construction Vehicle Quotation'
  - 29 November 2022 'Cleve Regional Boarding House Tender T111'
  - 13 December 2022 'Arno Bay Land'
  - 17 January 2023 'Arno Bay Land'
  - 1 February 2023 'Arno Bay Land Exemption'
  - 21 February 2023 'Section 441 Yadnarie'
  - 12 February 2023 'CEO Annual Performance Appraisal'
  - 3 April 2023 'Roadside Shoulder Reseal Tenders'
  - 16 May 2023 'TTEG Claim'
  - 20 June 2023 'Property Access Roads Extension'
- In relation to section 90 (3) paragraphs (a) - (o), the number of times in the financial year that an order was made under section 90 (2): **18**
  - Total number of orders to keep documents on a confidential basis made under Section 91 (7) in 2022-23: **18**
  - Number of orders made in 2022-23 that expired, ceased to apply, or were revoked during the financial year: **0**
  - Number of orders that remained operative at the end of the financial Year (not including order made before 15 November 2010): **38**

## Eyre Peninsula Local Government Association Annual Report 2022-23

To view the Eyre Peninsula Local Government Association Annual Report 2022-2023 please follow the link <https://epлга.com.au/corporate/governance>

If you would like a copy of the report, you can request in writing to [council@cleve.sa.gov.au](mailto:council@cleve.sa.gov.au) and a copy will be printed for you.





# Annual Business Plan

The District Council of Cleve’s Annual Business Plan and Annual Budget 2022-23 was adopted on 14 June 2022 and outlines planned services and projects for the financial year, linked to Council’s Strategic Plan.

The following proposed non-financial performance measures for the financial year are linked to the District Council of Cleve Strategic Plan 2020-2025:

## Goal 1: A Connected, Resilient & Thriving Community

PROJECT	COMMENT
• Community Grants Program	Complete
• Provide ongoing support to the Community Library (Annual Council Contribution)	Complete
• Seniors Week Luncheon - November 2022	Complete
• Remembrance Day Service - November 2022	Complete
• Cleve Christmas Pageant - December 2022	Complete
• Australia Day Ceremony - January 2023	Complete
• ANZAC Day Service - April 2023	Complete
• SA Youth Week - no funding secured	Not Complete
• Adelaide Guitar Festival - July 2022	Complete
• Cleve Harvest Music Fest - October 2022	Complete
• Host Annual 4WD Event	Under Review

## Goal 2: A Sustainable Population

PROJECT	COMMENT
• Attract new families to the district with a population housing support package	Ongoing
• Main Street Renewal Program	Complete
• Investigate opportunities to increase Childcare Facilities	Complete
• Public Arts Program	Ongoing
• Support Youth Activities	Ongoing
• Centrelink access point and services to the community	Complete

### Goal 3: Prosperous Local Economy



#### PROJECT

#### COMMENT

- Investigate and pursue economic transformation opportunities Ongoing
- Develop and deliver a new branding and marketing strategy Ongoing
- Arno Bay 24/7 Fuel Outlet Ongoing
- Support Regional Economic Initiatives provided by EPRDA Ongoing
- Promotion of the District through different Media Channels Ongoing
- Investigate potential Mountain Bike Trails Complete
- Investigate Telehealth Opportunities Complete
- Investigate a Business Development – Growth Accelerator Project Complete
- Develop a Tourism Strategy Complete
- Arno Bay Masterplan Ongoing
- Arno Bay Creek Toilet Upgrade Complete
- Half Basketball Court at Turnbull Park, Arno Bay Complete
- Cleve RV Park/Showgrounds Toilet Upgrade Ongoing
- Yeldulknie Weir Park RV Park Upgrade Complete
- Construction of Boarding House Facilities Ongoing

### Goal 4: Quality Services & Infrastructure

#### PROJECT

#### COMMENT

- Road Resealing including line marking: Complete
  - West Terrace, Cleve
  - Wake Road, Cleve
  - Rudall (service) Road, Cleve
  - Blomberry Road, Arno Bay
- West Terrace/Birdseye Highway Turning Lane Complete
- Footbath Construction (funded by Local Roads & Community Infrastructure Program – Phase 3) including: Complete
  - Rudall Road, Cleve (West Tce, to Fitzgerald St, Cleve)
- Roads Resheeting – (funded by funds from the Roads to Recovery Program) including Complete
  - Kielpa/Gum Flat Road – 6km
  - Ross Ramsey Road – 4km
- Footpath Construction Rudall Road (West Terrace to Fitzgerald Street) (funded by Local Roads & Community Infrastructure Program – Phase 3) Complete

## Goal 4: Quality Services & Infrastructure cont'd



### PROJECT

### COMMENT

PROJECT	COMMENT
<ul style="list-style-type: none"> <li>• Road Resheeting of 22km of Property Access Roads (funded by Local Roads &amp; Community Infrastructure Program – Phase 3) including               <ul style="list-style-type: none"> <li>◦ Cowley Road (Arno Bay) 1km - Complete</li> <li>◦ Burton Road 3km - Complete</li> <li>◦ Nield Road 3km - Complete</li> <li>◦ Scenic Road 4km - Ongoing</li> <li>◦ Dreckow Road 3km - Complete</li> <li>◦ Davis Road 2km - Complete</li> <li>◦ Taragoro Road 2km - Ongoing</li> <li>◦ Pipe Road 4km - Complete</li> </ul> </li> </ul>	Ongoing
<ul style="list-style-type: none"> <li>• New Culverts               <ul style="list-style-type: none"> <li>◦ Old Mangalo Road</li> <li>◦ Birdseye Highway</li> </ul> </li> </ul>	Complete
<ul style="list-style-type: none"> <li>• Footpath Construction, including:               <ul style="list-style-type: none"> <li>◦ 150m Balumbah-Kinnaird within Darke Peak township</li> </ul> </li> </ul>	Deferred
<ul style="list-style-type: none"> <li>• Onsite Fuel Tanker with Cement Pad at Works Depot</li> </ul>	Complete
<ul style="list-style-type: none"> <li>• Replacement of Plant &amp; Machinery, including               <ul style="list-style-type: none"> <li>◦ John Deere Grader</li> <li>◦ Mitsubishi Prime Mover</li> </ul> </li> </ul>	Ongoing
<ul style="list-style-type: none"> <li>• Replacement of Plant &amp; Machinery, including               <ul style="list-style-type: none"> <li>◦ Manager Infrastructure &amp; Civil Works Vehicle</li> <li>◦ Works Supervisors Vehicle</li> <li>◦ Construction Vehicle</li> </ul> </li> </ul>	Complete
<ul style="list-style-type: none"> <li>• Review of Sealed Road Network</li> </ul>	Complete
<ul style="list-style-type: none"> <li>• Reline of Pipe network for Cleve CWMS</li> </ul>	Complete
<ul style="list-style-type: none"> <li>• Stormwater Dam Pump Replacement</li> </ul>	Ongoing
<ul style="list-style-type: none"> <li>• Seek Funding for Arno Boat Marina Pontoon Update</li> </ul>	Complete
<ul style="list-style-type: none"> <li>• Drift fencing at Arno Bay Creek Mouth</li> </ul>	Cancelled
<ul style="list-style-type: none"> <li>• RSL Hall Toilet Upgrade</li> </ul>	Complete
<ul style="list-style-type: none"> <li>• Cleve District Hall Art Room Ceiling Upgrade</li> </ul>	Complete
<ul style="list-style-type: none"> <li>• Civic Centre Office Furniture Upgrade</li> </ul>	Complete
<ul style="list-style-type: none"> <li>• IT Infrastructure Upgrade – Teleconferencing equipment &amp; Laptops</li> </ul>	Complete
<ul style="list-style-type: none"> <li>• Installation of Solar Panels               <ul style="list-style-type: none"> <li>◦ 6 Price Street, Cleve</li> <li>◦ 12 Third Street, Cleve</li> </ul> </li> </ul>	Complete

## Goal 5: An Engaged Community

### PROJECT

- Fund Entrepreneurship Program with Students of Cleve Area School (3 year program)
- Review all financial documentation, procedures and policies with consultant
- Continual review and update of Council's policies and related procedures
- Continue to update the Work Health & Safety (WHS) and Risk Management (RM) programs
- Continue to update skills of elected members and staff through training
- Utilise shared services with local councils when and where we can
- Advertise & publish monthly Council Page in Eyre Peninsula Advocate
- Maintain regular updates on website and social media pages

### COMMENT

Ongoing

Ongoing

Ongoing

Ongoing

Ongoing

Ongoing

Complete

Ongoing



# Application of the National Competition Policy

Clause 7 Statement on the Application of Competition Principles to Local Government under the Competition Principles Agreement requires the Council to provide information relevant to competition neutrality to any Council operations.

The Council does not operate any significant business activities within either Category 1 or Category 2 under the National Competition Policy. The Council has not received any complaints about the application of competitive neutrality during the 2022-2023 financial year.

The Council's by-laws are subject to the requirements of Section 247 of the Local Government Act 2021 regarding avoiding restricting competition to any significant degree. The Council duly considered the impacts of the by-laws on national competition when they were adopted in 2018.

## Competitive Tendering

All activities not undertaken by Council staff are put out to tender in accordance with Council's tendering policies and associated procedures.

There are various levels of tendering allowed under these policies and procedures, depending on value and risk factors. The extent of competitive tendering activities is defined in Council's Procurement (including Contracts and Tenders) Policy and Disposal of Land and Assets Policy.

### 2022/2023 Tenders

- Arno Bay Parks and Gardens
- Arno Bay Public Convenience Cleaning
- Arno Bay Refuse Supervision
- Arno Bay Refuse additional bin collections
- Public Lighting Contract
- Fleet / Machinery - Grader, HR Truck, Utilities
- Special Projects - Boarding House
- Capital Works - Unsealed Roads

## Council Membership

The District Council of Cleve is a member of the following organisations:

- South Australian Local Government Association
- Eyre Peninsula Local Government Association
- Regional Development Australia Eyre Peninsula Inc.



# Governance

## POLICY & ADMINISTRATIVE DOCUMENTS

The District Council of Cleve's policy and administrative documents include:

- Ordinary Council Meeting Agenda
- Ordinary Council Meeting Minutes
- Policy Manual
- Annual Budget
- Annual Financial Statements
- Record of Delegations
- Annual Report
- Assessment Book (development)
- Development Plan

## COMMUNITY LAND MANAGEMENT PLANS

As per the Local Government Act 2021, Chapter 11 and Schedule 4 2(e), Council recognises the requirement and need for management plans of its community and operational land. Council's current management plans for community land were adopted at Council's Ordinary Council Meeting held on 20 June 2023.

- Sport, Leisure & Recreational Facilities
- Reserves & Parklands
- Emergency Services
- Community Facilities for Agriculture, Education, Boarding & Training
- Yeldulknie Reservoir
- Cleve Saleyards (Livestock)
- Eyre Peninsula Field Days (Site & Car Parking)

## COMMUNITY ENGAGEMENT

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

- **Deputations:** With the permission of the Committee Chairman or the Mayor, a member of the public can address a committee or the Council personally or on behalf of a group of residents.
- **Presentations to Council:** With prior notification and arrangement with the Mayor, a member of the public can address the Council on any issue relevant to Council.
- **Petitions:** Written petitions can be addressed to the Council on any issue within the Council's jurisdiction.
- **Written Requests:** A member of the public can write to the Council on any Council policy, activity, or service.
- **Elected Members:** Members of the public can contact their Elected Members of Council prior to each monthly Council Meeting.



## OBTAINING INFORMATION FROM COUNCIL

The following Council documentation is available for public viewing on Council's website or at the Council office. These include:

- Annual Business Plan and Annual Budget
- Animal Management Plan
- Annual Report
- Application Forms and Permits
- Arno Bay Foreshore Master Plan
- Bushfire Prevention Plan
- Community Land
- Council By-Laws
- Council Meeting Agenda and Minutes
- Development Plan
- District Emergency Management Plan
- Financial Statements
- Government Policies
- Infrastructure and Asset Management Plan
- Long Term Financial Plan
- Regional Public Health Plan
- Schedule of Fees and Charges
- Strategic Plan
- Section 41 Committee Meeting Agenda and Minutes

## AUDITOR INDEPENDENCE

Council's Auditor, Ian G McDonald FCA, was appointed in June 2021 for a 5-year term for the period 2021-2025.

Councils are required to report on the remuneration payable to the auditor during the year and to differentiate between audit and non-audit fees.

The audit fees 2022-23:     \$13,000  
Non audit fees 2022-23:     \$0

## INTERNAL REVIEW OF COUNCIL'S ACTIONS

Section 270 (8) of the Act requires Council to include within its Annual Report information in relation to the number of applications for review of Council decisions made under section 270 of the Act.

Council received no applications for review in the 2022-23 financial year under this section of the Act.

## AMENDMENTS TO COUNCIL RECORDS

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act.

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

To gain access to these Council records, a member of the public must enquire in the first instance to the Chief Executive Officer.

It may be necessary to complete a FOI Request Form, outlining the records that the person wishes to inspect.



## REGISTERS

The following registers are maintained in accordance with the Local Government Act 2021, the Local Government (Elections) Act 1999 and associated regulations:

- Allowance and Benefits
- Asbestos
- Bank Account
- Chains and Slings
- Common Seal
- Community Grant
- Confidential Items
- Contracts and Agreements
- Councillors and Staff Interests
- Credit Card
- Emergency Response Support
- Emergency Services Plant and Equipment
- Exit and Emergency Lights
- Fire Extinguisher
- Gifts and Benefits
- Government Gazette
- Grants
- Key
- Ladder
- Leases and Licences
- Legislative Compliance Tracking
- Loans
- Public Roads
- Residual Current Devices Testing
- Salaries and Benefits
- Section 41 Committees
- Tree

## DOCUMENTS AVAILABLE FOR INSPECTION

The following documentation is available for viewing on Council's website and for public inspection at the Council office during business hours. Members of the public may also purchase copies of these documents at the prescribed fee from the Chief Executive Officer.

- Annual Business Plan and Annual Budget
- Annual Financial Statements
- Annual Report
- Assessment Book
- Council By-laws
- Development Plan
- Fees and Charges
- Member's Register of Allowances and Benefits
- Member's Register of Interests
- Officer's Register of Salaries
- Ordinary Council Meeting Agenda
- Ordinary Council Meeting Minutes
- Policy Manual
- Record of Delegations
- Register of Community Land
- Register of Public Roads
- Register of Gifts and Benefits
- Senior Officer's Register of Interest
- Strategic Plan

## GOVERNANCE POLICIES & CODES

- Access to Council Meetings, Committees, Documents
- Code of Practice
- Access to Development Records Policy
- Asset Impairment Policy
- Asset Management Policy
- Asset Revaluation Policy
- Assisting Emergency Services Policy
- Behavioural Management
- Behavioural Management Standards
- Budget Management Policy
- Building Inspection Policy
- Caretaker Policy
- Complaints Handling Under Council Members Code of Conduct Policy
- Customer Complaints Policy
- Council and Committee Meeting Procedure Policy
- Council Induction Policy
- Council Member Access to Information Policy
- Council Members Code of Conduct
- Council Vehicle Policy
- Credit Card Policy
- Customer Policy – Community Wastewater Management Scheme
- Development Assessment Delegation Policy
- Disposal of Land and Assets Policy
- Document Control Policy
- Elected Member Allowances and Support Policy
- Elected Member Training and Development Policy
- Employee Code of Conduct
- Employee Leave Policy
- Hardship Policy
- Environment Policy
- Expiation Waiving Policy
- Fraud and Corruption Prevention Policy
- Gifts and Benefits Policy
- Grants Policy
- Grievance and Disciplinary Policy
- Hardship Policy
- Hire of Plant and Equipment Policy
- Hire of Portable Toilets Policy
- Informal Gathering Policy
- Internal Controls Policy
- Internal Controls Policy
- Internal Review of Council Decisions Policy
- i-Responda Policy
- Issuing of RV Clearance Certificates Policy
- Loans to Community Groups Policy
- Mayor (Member on Committees) Policy
- Mayors Seeking Legal Advice
- Mobile Food Vendor Rules
- Order Making Policy
- Procurement Policy
- Prudential Management Policy
- Public Consultation Policy
- Public Interest Disclosure Policy
- Records Management Policy
- Revenue and Financing Policy
- Reserve Policy
- Risk Management Policy
- Road Naming Policy
- Rural Addressing Policy
- Safe Environment Policy
- Service Gifts
- Social Media Policy
- Special Pandemic Leave Policy
- Strategic Risk Management Framework
- Supplementary Election Policy
- Tenancy of Council Houses
- Travel and Accommodation Policy
- Treasury Policy
- Working from Home Policy
- Works Vehicle Identification Policy



## Local Nuisance & Litter Control Act & Regulations

Subject to the Local Nuisance and Litter Control Act 2016, a council is the principal authority for dealing with local nuisance and littering in its area. Section 8 of this Act requires Council to include the following information on the functions conferred on councils under this Act.

For the financial year 2022-2023:

- The number of complaints of local nuisance or littering received by Council: Nil
- The number and nature of:
  - offences under the Act that were expiated: Nil
  - offences under the Act that were prosecuted: Nil
  - nuisance abatement notices or litter abatement notices issued: Nil
  - civil penalties negotiated under section 34 of the Act: Nil
  - applications by the Council to the Court for orders for civil penalties under section 34 of the Act and the number of orders made by the Court on those applications: Nil
- Any other functions performed by the council under the Act: Nil

## Council Committees

### AUDIT AND RISK COMMITTEE

### SECTION 41 COMMITTEES

- Arno Bay and Districts Boat Ramp Committee

### THIRD PARTY COMMITTEES WITH COUNCIL REPRESENTATION

- Eastern Eyre Peninsula Building Fire Safety Committee (Planning, Development and Infrastructure Act 2016)
- Eyre Peninsula Local Government Association
- Sims Farm Agricultural Advisory Group
- Eyre Peninsula Regional Assessment Panel (Planning, Development and Infrastructure Act)
- Northern Eyre Peninsula Health Association (NEPHA)

### COMMITTEES OF COUNCIL

- CEO's Performance Review Committee
- Council Audit Committee
- Cleve and Districts Bushfire Prevention Working Group
- Tender Committee

# Section 41 Council Committee Report

## ARNO BAY BOAT RAMP COMMITTEE

### MEMBERS

President	Craig Henderson
Vice President	Don Hauschild
Secretary	Paul Atkins
Treasurer	Brenton Harris
Members	Colin Rayson, Rod Carrick, Robert Preiss, David Preiss & Brenton Harris
Council Representative	Greg Claughton

### PRESIDENTS REPORT

It was good to see that the lines have been painted at the boat ramp and surrounding area's.

It is also good to see that warning notices are being used for non payment of ramp fees. The new pontoon is holding up ok with the surge and swell that we get at the ramp.

Fish cleaning bay is getting used a fair bit now which is good to see, thanks to John for providing more bins when needed.

The swell is still an ongoing concern and hopefully one day may be addressed if the ramps in changed to a different location within the marina.

Thanking you

Craig Henderson  
President



# Audit & Risk Committee

**JULY 2022 – OCTOBER 2022**

## ALLOWANCES

Independent Chairperson	David Frick (Independent Member)	\$500.00
Members	Phil Cameron	\$0
	Chris Tarran	\$0
	Greg Cook	\$0
	Fiona Ward (Independent Member)	\$300.00

**NOVEMBER 2022 – JUNE 2023**

Independent Chairperson	Chris Tarran (Independent Member)	\$1500.00
Members	Phil Cameron	\$0
	Kelly Richardson	\$0
	David Frick (Independent Member)	\$600.00
	Fiona Ward (Independent Member)	\$900.00

## AUDIT COMMITTEE

The Audit and Risk Committee has been formally appointed pursuant to the requirements under the Local Government Act 1999 (the Act) and the Local Government (Financial Management) Regulations 2011.

The activities of the Audit and Risk Committee are governed by its Terms of Reference together with the Audit and Risk Committee Work Program which is updated after each meeting. These two documents deliver the legal requirements stipulated by the legislations as well as many of the best practice activities outlined in the LGA financial sustainability information papers covering this topic.

This report provides a summary of activities undertaken by the Audit and Risk Committee during the year ending 30 June 2023.

## COMMITTEE MEMBERSHIP, MEETINGS ATTENDED & ALLOWANCE

The Audit Committee met on four (4) occasions during the financial year.

MEMBER	MEETINGS ATTENDED
D Frick (Independent Member)	3
FM Ward (Independent Member)	4
Cr PJ Cameron	3
GJ Cook	1
CR Tarran (Independent Chair)	4
Cr KA Richardson	3

From the 2017-18 year, Council have retained the appointment of an independent Advisor to the Audit Committee who is an expert in Local Government Audit Committees.

This person ensures that:

- Staff arrange for a minimum of four meetings to be held each year;
- That the Audit and Risk Committee Work Program is kept up to date; and
- That the Audit and Risk Committee Work Program is consistent with the Audit and Risk Committee terms of reference as well as legislative requirements.

## ACTIVITIES

The table that follows represents the completed work program for the meetings held in the year ending 30 June 2023.

### 1. Strategic Financial Reporting Cycle Reports Reviewed

ACTIVITY	MEETING DATE
1.1 2022-23 Budget Review #2	14 Mar 2023
1.2 2023-32 Long Term Financial Plan Update	06 Dec 2022
1.3 Budget Review #3	30 May 2023
1.4 2023-24 Draft Annual Budget	14 Mar 2023
1.5 Draft 2023-24 Annual Business Plan & Annual Budget	30 May 2023
1.6 Accounting Treatment of Impairment of Roads from Jan 2022 Floods	04 Oct 2022
1.7 2021-22 Annual Financial Statements	04 Oct 2022
1.8 2021-22 Report on Financial Results	06 Dec 2022
1.9 2022-23 Budget Review #1	06 Dec 2022

### 2. Internal Controls & Risk Management Systems Reviewed

ACTIVITY	MEETING DATE
2.1 Internal Control Framework, Policy & Procedures	14 Mar 2023
2.2 Policies & Procedures Renewal Schedule presented	14 Mar 2023



### 3. Internal Audit

#### ACTIVITY

#### MEETING DATE

- 3.1 Undertake Internal Control Self-Assessment using control track, report findings to Audit Committee.

14 Mar 2023

### 4. External Audit

#### ACTIVITY

#### MEETING DATE

- 4.1 Liaise with the Council's external auditor on the scope and planning of annual audits, including any issues arising from audits and the resolution of such matters.
- 4.2 External Interim Audit Report - Review the findings of any external audit report that raises significant issues relating to risk management, account, internal controls, financial reporting and other accountability or governance issues and make recommendations to the Board where appropriate.
- 4.3 Correspondence from Auditor - Balance Date Management Letter for Financial Year ending 30 June 2022.
- 4.4 Ensure compliance with Clause 22 of the Local Government (Financial Management) Regulations 1999 regarding the prohibition of auditors providing additional non audit services.

04 Oct 2022

30 May 2023

06 Dec 2022

04 Oct 2022

### 5. Reporting Requirements of Audit Committee

#### ACTIVITY

#### MEETING DATE

- 5.1 Audit & Risk Committee Work Program - Ensure that it is presented and updated at each meeting. Any significant, urgent matters identified through the Work Program are formally and promptly reported to the Board.
- 5.2 Table the minutes of Audit Committee meetings held as well as updated Audit Committee Work Program as part of the agenda of the next Council meeting; ensuring recommendations are considered and adopted as required.
- 5.3 Audit Committee Terms of Reference - Updated to reflect requirements of Statutes Amendment Act 2021 (Local Government Review) are satisfied.
- 5.4 Annual Audit Committee Report to Council for year ending 30 June 2022, include Audit Committees achievements over the past year and include the report in the Annual Report of Council.
- 5.5 Final 2022 Audit Committee Work Program presented

Ongoing

Ongoing

06 Dec 2022

04 Oct 2022

06 Dec 2022



## 6. Financial Governance

ACTIVITY	MEETING DATE
6.1 2023 Audit & Risk Committee Work Program prepared and presented with meeting dates for 2023.	06 Dec 2022
6.2 Strategic Financial Reporting Cycle – Schedule of Critical Dates for 2023 presented.	06 Dec 2022

### ELECTED MEMBER TRAINING

Elected member training has been undertaken on an ad hoc basis during the actual meetings in the form of advice from the Audit Committee advisor.

Information on statutory requirements and best practice in relation to the various matters covered during meetings is routinely provided to the Committee Members to ensure a full understanding of the issues they are making recommendations to Council on.

Chris Tarran  
Independent Audit Committee Chair  
10 October 2023








**Attachment**  
**Audited Financial Statements**

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**General Purpose Financial Reports  
for the year ended 30 June 2023**





**District Council of Cleve**  
**General Purpose Financial Reports**  
**for the year ended 30 June 2023**

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**District Council of Cleve  
Annual Financial Statements  
for the year ended 30 June 2023**

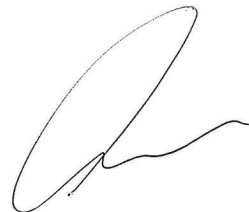
**CERTIFICATION OF FINANCIAL STATEMENTS**

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 Penfold**  
**CHIEF EXECUTIVE OFFICER**



.....  
**Phil Cameron**  
**MAYOR**

**Date:** 3 November 2023

**District Council of Cleve**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2023**

	Notes	2023 \$	2022 \$
<b>INCOME</b>			
Rates	2	3,788,145	3,590,525
Statutory charges	2	27,491	29,701
User charges	2	93,455	224,510
Grants, subsidies and contributions - Capital	2	315,019	-
Grants, subsidies and contributions - Operating	2	3,021,600	2,588,028
Investment income	2	166,179	35,586
Reimbursements	2	116,343	321,240
Other income	2	64,463	176,334
<b>Total Income</b>		<b>7,592,695</b>	<b>6,965,924</b>
<b>EXPENSES</b>			
Employee costs	3	2,449,071	1,850,531
Materials, contracts & other expenses	3	2,748,600	2,487,975
Depreciation, amortisation & impairment	3	1,956,975	1,825,596
Finance costs	3	25,132	28,782
<b>Total Expenses</b>		<b>7,179,778</b>	<b>6,192,885</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>412,917</b>	<b>773,039</b>
Asset disposal & fair value adjustments	4	41,074	(407,366)
Amounts received specifically for new or upgraded assets	2	2,634,249	926,787
<b>NET SURPLUS / (DEFICIT)</b> transferred to Equity Statement		<b>3,088,240</b>	<b>1,292,460</b>
<b>Other Comprehensive Income</b>			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Impairment (expense) / recoupments offset to asset revaluation reserve	9	-	(71,362)
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>(71,362)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>3,088,240</b>	<b>1,221,098</b>

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

**District Council of Cleve**  
**Statement of Financial Position**  
**as at 30 June 2023**

	Notes	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	6,179,146	7,753,069
Trade & other receivables	5	1,024,541	831,385
Inventories	5	8,842	18,443
<b>Total Current Assets</b>		<b><u>7,212,529</u></b>	<b><u>8,602,897</u></b>
<b>Non-current Assets</b>			
Financial assets	6	109,028	202,540
Infrastructure, property, plant & equipment	7	53,893,892	50,396,440
Other non-current assets	6	1,805,533	1,655,076
<b>Total Non-current Assets</b>		<b><u>55,808,454</u></b>	<b><u>52,254,056</u></b>
<b>Total Assets</b>		<b><u>63,020,982</u></b>	<b><u>60,856,953</u></b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	8	446,530	1,284,190
Borrowings	8	102,963	182,861
Provisions	8	312,962	275,897
<b>Total Current Liabilities</b>		<b><u>862,455</u></b>	<b><u>1,742,947</u></b>
<b>Non-current Liabilities</b>			
Borrowings	8	339,598	402,562
Provisions	8	48,882	29,637
<b>Total Non-current Liabilities</b>		<b><u>388,480</u></b>	<b><u>432,199</u></b>
<b>Total Liabilities</b>		<b><u>1,250,935</u></b>	<b><u>2,175,146</u></b>
<b>NET ASSETS</b>		<b><u>61,770,047</u></b>	<b><u>58,681,807</u></b>
<b>EQUITY</b>			
Accumulated surplus		31,660,978	28,560,879
Asset revaluation reserves	9	29,479,928	29,479,928
Other reserves	9	629,141	640,999
<b>TOTAL EQUITY</b>		<b><u>61,770,047</u></b>	<b><u>58,681,807</u></b>

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



**District Council of Cleve**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2023**

		Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	TOTAL EQUITY
<b>2023</b>	<b>Notes</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at end of previous reporting period		28,560,879	29,479,928	640,999	58,681,807
<b>Net Surplus / (Deficit) for Year</b>		3,088,240	-	-	3,088,240
<b>Other Comprehensive Income</b>					
Transfers between reserves		11,858	-	(11,858)	-
<b>Balance at end of period</b>	<b>9</b>	<b>31,660,978</b>	<b>29,479,928</b>	<b>629,141</b>	<b>61,770,047</b>

		Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	TOTAL EQUITY
<b>2022</b>	<b>Notes</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at end of previous reporting period		27,363,597	29,551,290	545,822	57,460,709
<b>Net Surplus / (Deficit) for Year</b>		1,292,460	-	-	1,292,460
<b>Other Comprehensive Income</b>					
Impairment (expense) / recoupments offset to asset revaluation reserve		-	(71,362)	-	(71,362)
Transfers between reserves		(95,177)	-	95,177	-
<b>Balance at end of period</b>	<b>9</b>	<b>28,560,879</b>	<b>29,479,928</b>	<b>640,999</b>	<b>58,681,807</b>

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

**District Council of Cleve**  
**Statement of Cash Flows**  
**for the year ended 30 June 2023**

		2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Notes</b>	<b>\$</b>	<b>\$</b>
<b>Receipts:</b>			
Rates - general & other		3,773,744	3,667,068
Fees & other charges		30,240	31,186
User charges		224,101	298,434
Investment receipts		151,175	235,340
Grants utilised for operating purposes		2,929,376	2,285,497
Reimbursements		127,977	337,302
Other revenues		662,270	(101,652)
<b>Payments:</b>			
Employee costs		(2,397,040)	(1,944,697)
Materials, contracts & other expenses		(3,737,064)	(2,107,975)
Finance payments		(25,706)	(29,786)
<b>Net Cash provided by (or used in) Operating Activities</b>	10	<u>1,739,072</u>	<u>2,670,716</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Receipts:</b>			
Amounts specifically for new or upgraded assets		1,979,395	926,787
Grants utilised for capital` purposes		330,770	-
Sale of replaced assets		77,727	68,636
Sale of surplus assets		-	600,000
Repayments of loans by community groups		83,512	10,017
<b>Payments:</b>			
Expenditure on renewal/replacement of assets		(2,430,676)	(2,253,074)
Expenditure on new/upgraded assets		(3,210,862)	(1,911,139)
<b>Net Cash provided by (or used in) Investing Activities</b>		<u>(3,170,134)</u>	<u>(2,558,773)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Payments:</b>			
Repayments of borrowings		(142,861)	(116,273)
<b>Net Cash provided by (or used in) Financing Activities</b>		<u>(142,861)</u>	<u>(116,273)</u>
<b>Net Increase (Decrease) in cash held</b>		<u>(1,573,923)</u>	<u>(4,329)</u>
Cash & cash equivalents at beginning of period	10	<u>7,753,069</u>	<u>7,757,398</u>
<b>Cash &amp; cash equivalents at end of period</b>	10	<u>6,179,146</u>	<u>7,753,069</u>

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



# District Council of Cleve

## 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 in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

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

##### 1.2 Historical Cost Convention

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

##### 1.3 Critical Accounting Estimates

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

##### 1.4 Rounding

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

#### 2 The Local Government Reporting Entity

District Council of Cleve is incorporated under the SA Local Government Act 1999 and has its principal place of business at 10 Main Street Cleve, SA 5640. 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.

#### 3 Income recognition

##### 3.1 Revenue

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

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

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

# District Council of Cleve

## 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	
2016-17	2,036,887	1,344,427	+	692,640
2017-18	1,728,737	1,642,863	+	85,874
2018-19	2,026,300	1,647,009	+	379,291
2019-20	1,496,797	1,651,904	-	155,107
2020-21	1,457,819	1,668,774	-	210,955
2021-22	2,177,600	1,721,581	+	456,019
2022-23	2,396,476	1,780,455	+ / -	616,021

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 13 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

### 3.2 Construction Contracts

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

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

## 4 Cash, Cash Equivalents and Other Financial Instruments

### 4.1 Cash, Cash Equivalent Assets

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

### 4.2 Other Financial Instruments

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form part of Note 12.



**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**  
**Note 1 - Significant Accounting Policies**

## **5 Inventories**

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

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

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

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

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

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

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

### **6.1 Initial Recognition**

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

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

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

### **6.2 Materiality**

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

### **6.3 Subsequent Recognition**

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

### **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.



**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 1 - Significant Accounting Policies**

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

**6.5 Impairment**

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

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

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

**6.6 Borrowing Costs**

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

**7 Payables**

**7.1 Goods & Services**

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

**7.2 Payments Received in Advance & Deposits**

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

**8 Borrowings**

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

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



**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**  
**Note 1 - Significant Accounting Policies**

**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.

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

Superannuation:

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 15.

**9.2 Provisions for reinstatement, restoration, rehabilitation.**

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

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

**11 GST Implications**

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

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

**12 New and amended standards and interpretations**

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 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.

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 2 - INCOME**

	Notes	2023 \$	2022 \$
<b>RATES REVENUES</b>			
<u>General Rates</u>		<b>3,166,476</b>	3,002,498
Less: Mandatory rebates		<b>(34,969)</b>	(33,491)
Less: Discretionary rebates, remissions & write offs		<b>(16,337)</b>	(15,598)
		<b>3,115,170</b>	2,953,409
<u>Other Rates</u> (including service charges)			
Landscape levy		<b>108,428</b>	106,314
Waste collection		<b>222,208</b>	208,120
Community wastewater management systems		<b>333,059</b>	316,334
Separate and Special Rates		<b>4,435</b>	4,216
		<b>668,130</b>	634,984
<u>Other Charges</u>			
Penalties for late payment		<b>19,515</b>	15,455
Legal & other costs recovered		-	2,177
		<b>19,515</b>	17,632
Less: Discretionary rebates, remissions & write offs		<b>(14,670)</b>	(15,500)
		<b>3,788,145</b>	3,590,525
<b>STATUTORY CHARGES</b>			
Development Act fees		<b>13,937</b>	13,915
Town planning fees		<b>4,933</b>	7,183
Health & Septic Tank Inspection fees		<b>1,383</b>	1,235
Animal registration fees & fines		<b>7,238</b>	7,330
Other licences, fees, & fines		-	38
		<b>27,491</b>	29,701
<b>USER CHARGES</b>			
Cemetery/crematoria fees		<b>10,695</b>	9,782
Arno Bay Harbour fees		<b>22,740</b>	20,921
Sanitation & garbage fees		<b>26,733</b>	179,040
Council house rentals		<b>5,250</b>	5,571
Standpipe water		<b>8,293</b>	3,558
Hall & equipment hire		<b>1,101</b>	2,060
Sundry		<b>18,643</b>	3,577
		<b>93,455</b>	224,510



**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 2 - INCOME (con't)**

	Notes	2023 \$	2022 \$
<b>INVESTMENT INCOME</b>			
Interest on investments:			
Local Government Finance Authority		157,745	27,574
Loans to community groups		8,434	8,011
		<b>166,179</b>	<b>35,586</b>
<b>REIMBURSEMENTS</b>			
Private works		6,019	129,544
Other		110,324	191,696
		<b>116,343</b>	<b>321,240</b>
<b>OTHER INCOME</b>			
Insurance & other recoupments - infrastructure, property, plant & equipment		14,866	3,532
Accommodation unit income		-	118,778
Sundry		49,597	54,024
		<b>64,463</b>	<b>176,334</b>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
<i>Amounts received specifically for new or upgraded assets</i>		<b>2,634,249</b>	926,787
 <i>Other grants, subsidies and contributions - Capital</i>			
Roads to Recovery		<b>315,019</b>	-
		<b>315,019</b>	-
 <i>Other grants, subsidies and contributions - Operating</i>			
Untied - Financial Assistance Grant		2,396,476	2,177,600
Roads to Recovery		-	401,192
Library & Communications		-	4,196
Disaster Recovery Fund		597,586	-
Sundry		27,538	5,040
		<b>3,021,600</b>	<b>2,588,028</b>
		<b>5,970,868</b>	<b>3,514,815</b>

*The functions to which these grants relate are shown in Note 11.*

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 2 - INCOME (con't)**

		2023	2022
<b>Sources of grants</b>	<b>Notes</b>	<b>\$</b>	<b>\$</b>
Commonwealth government		2,949,268	1,327,979
State government		3,021,600	2,186,836
Other		-	-
		<b>5,970,868</b>	<b>3,514,815</b>

**Individually Significant Item**

Financial Assistance Grant Paid in Advance		616,021	-
Financial Assistance Grant Paid in Advance		-	456,019

**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		1,247,612	1,050,101
<i>Less: expended during the current period from revenues recognised in previous reporting periods:</i>			
Roads Infrastructure (FAG's Paid in advance)		1,247,612	791,593
LRCIP - Phase 2		-	258,508
<i>Subtotal</i>		<b>1,247,612</b>	<b>1,050,101</b>
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Roads Infrastructure (FAG's Paid in advance)		1,780,455	1,247,612
Unexpended at the close of this reporting period		<b>1,780,455</b>	<b>1,247,612</b>
Net increase / (decrease) in assets subject to conditions in the current reporting period		<b>532,843</b>	<b>197,511</b>

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 3 - EXPENSE**

	Notes	2023 \$	2022 \$
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		2,181,392	1,772,722
Employee leave expense		189,366	82,843
Superannuation - defined contribution plan contributions	15	181,528	141,265
Superannuation - defined benefit plan contributions	15	19,324	21,457
Workers' Compensation Insurance		52,784	44,414
Less: Capitalised and distributed costs		<u>(175,323)</u>	<u>(212,169)</u>
<b>Total Operating Employee Costs</b>		<b><u>2,449,071</u></b>	<b><u>1,850,531</u></b>
<b>Total Number of Employees</b>		<b>22</b>	<b>21</b>
<i>(Full time equivalent at end of reporting period)</i>			
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		13,572	13,000
Elected members' expenses		75,746	80,399
Election expenses		9,651	543
Subtotal - Prescribed Expenses		<u>98,969</u>	<u>93,942</u>
<u>Other Materials, Contracts &amp; Expenses</u>			
Advertising & Printing		69,645	50,647
Contractors - Operating		722,289	534,617
Materials, Contracts & Other Capital		5,315,758	3,051,179
Energy		77,521	65,197
Freight		38,317	35,177
Insurance		210,498	204,942
Maintenance		14,938	39
Materials - Operating		378,583	364,876
Legal Expenses		166,492	120,216
Levies paid to government - Landscape levy		108,794	106,356
- Other Levies		57,235	61,293
Membership & Subscriptions		69,506	67,892
Parts, accessories & consumables		104,520	87,176
Professional Services		177,119	262,460
Registration		46,232	36,284
Telecommunication & Internet		19,952	15,397
Training		35,919	35,207
Travel		31,474	28,262
Sundry - Operating		251,137	243,715
Water		69,460	74,280
Less: Capitalised and Distributed Costs		<u>(5,315,758)</u>	<u>(3,051,179)</u>
Subtotal - Other Materials, Contracts & Expenses		<b><u>2,649,631</u></b>	<b><u>2,394,033</u></b>
		<b><u>2,748,600</u></b>	<b><u>2,487,975</u></b>

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 3 - EXPENSE con't**

		<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>\$</b>	<b>\$</b>
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Buildings & Other Structures		<b>203,652</b>	202,886
Infrastructure			
Sealed		<b>325,007</b>	357,367
Unsealed		<b>619,593</b>	658,595
Kerbing & Guttering		<b>38,289</b>	38,289
Bridges		<b>13,256</b>	13,256
Culverts		<b>2,167</b>	2,241
Footpaths		<b>50,345</b>	50,345
CWMS		<b>117,820</b>	117,820
Plant, Machinery & Equipment		<b>384,014</b>	375,168
Office Equipment, Furniture & Fittings		<b>5,892</b>	9,579
Other Assets		<b>196,940</b>	71,412
<b>Impairment</b>			
Less: Impairment expense offset to asset revaluation reserve	9	-	(71,362)
		<b><u>1,956,975</u></b>	<b><u>1,825,596</u></b>
<b>FINANCE COSTS</b>			
Interest on Loans		<b><u>25,132</u></b>	<u>28,782</u>
		<b><u>25,132</u></b>	<u>28,782</u>

**District Council of Cleve**  
**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
	\$	\$
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	77,727	68,636
Less: Carrying amount of assets sold	<u>36,653</u>	<u>312,212</u>
<b>Gain (Loss) on disposal</b>	<u><b>41,074</b></u>	<u><b>(243,575)</b></u>
<i>Assets surplus to requirements</i>		
Proceeds from disposal	-	600,000
Less: Carrying amount of assets sold	<u>-</u>	<u>763,791</u>
<b>Gain (Loss) on disposal</b>	<u><b>-</b></u>	<u><b>(163,791)</b></u>
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>	<u><b>41,074</b></u>	<u><b>(407,366)</b></u>

**Note 5 - CURRENT ASSETS**

<b>CASH &amp; EQUIVALENT ASSETS</b>		
Cash on Hand and at Bank	(39,035)	31,629
Deposits at Call	<u>6,218,181</u>	<u>7,721,440</u>
	<u><b>6,179,146</b></u>	<u><b>7,753,069</b></u>
<b>TRADE &amp; OTHER RECEIVABLES</b>		
Rates - General & Other	222,069	207,668
Accrued Revenues	614,590	358,270
Debtors - general	7,977	129,277
Other levels of Government	3,584	1,595
GST Recoupment	142,809	101,427
Prepayments	-	9,636
Loans to community organisations	<u>33,512</u>	<u>23,512</u>
	<u><b>1,024,541</b></u>	<u><b>831,385</b></u>
<b>INVENTORIES</b>		
Stores & Materials	<u><b>8,842</b></u>	<u><b>18,443</b></u>

**Note 6 - NON-CURRENT ASSETS**

<b>FINANCIAL ASSETS</b>		
<b>Receivables</b>		
Loans to community organisations	<u>109,028</u>	<u>202,540</u>
<b>TOTAL FINANCIAL ASSETS</b>	<u><b>109,028</b></u>	<u><b>202,540</b></u>
<b>OTHER NON-CURRENT ASSETS</b>		
<b>Inventories</b>		
Real Estate Developments	754,210	754,210
Capital Works-in-Progress	<u>1,051,323</u>	<u>900,866</u>
	<u><b>1,805,533</b></u>	<u><b>1,655,076</b></u>
<b>Real Estate Developments - Current &amp; Non-Current</b>		
<i>(Valued at the lower of cost and net realisable value)</i>		
<i>Residential</i>	<u><b>754,210</b></u>	<u><b>754,210</b></u>
<i>Represented by:</i>		
<i>Development Costs</i>	<u><b>754,210</b></u>	<u><b>754,210</b></u>
<b>Apportionment of Real Estate Developments</b>		
<i>Non-Current Assets</i>	<u><b>754,210</b></u>	<u><b>754,210</b></u>

**District Council of Cleve**  
**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	2	3,312,900	-	-	3,312,900	<b>3,574,701</b>	-	-	<b>3,574,701</b>
Buildings & Other Structures	3	10,516,917	742,189	(4,985,984)	6,273,122	<b>13,681,991</b>	<b>742,189</b>	<b>(5,189,636)</b>	<b>9,234,543</b>
Infrastructure	3								
Sealed		18,365,668	314,509	(5,679,081)	13,001,096	<b>18,953,547</b>	<b>314,509</b>	<b>(6,004,088)</b>	<b>13,263,969</b>
Unsealed		21,515,503	2,488,094	(13,917,233)	10,086,364	<b>22,700,582</b>	<b>2,488,094</b>	<b>(14,536,825)</b>	<b>10,651,851</b>
Kerbing & Guttering		3,493,829	205,321	(939,494)	2,759,656	<b>3,495,791</b>	<b>205,321</b>	<b>(977,784)</b>	<b>2,723,329</b>
Bridges		1,339,800	-	(912,195)	427,605	<b>1,339,800</b>	-	<b>(925,452)</b>	<b>414,349</b>
Culverts		84,910	17,323	(47,704)	54,529	<b>119,094</b>	<b>17,323</b>	<b>(49,870)</b>	<b>86,546</b>
Footpaths		2,846,306	212,064	(1,166,520)	1,891,851	<b>2,890,226</b>	<b>212,064</b>	<b>(1,216,865)</b>	<b>1,885,425</b>
CWMS	3	7,703,168	434,367	(2,700,112)	5,437,423	<b>7,703,166</b>	<b>434,367</b>	<b>(2,817,932)</b>	<b>5,319,603</b>
Plant, Machinery & Equipment	3	-	5,152,642	(2,388,352)	2,764,290	-	<b>5,207,030</b>	<b>(2,694,084)</b>	<b>2,512,946</b>
Office Equipment, Furniture & Fittings		48,237	169,512	(145,308)	72,441	<b>68,538</b>	<b>169,512</b>	<b>(151,200)</b>	<b>86,850</b>
Other Assets	3	3,465,001	1,955,663	(1,105,501)	4,315,163	<b>3,486,559</b>	<b>1,955,663</b>	<b>(1,302,440)</b>	<b>4,139,782</b>
<b>Total IPP&amp;E</b>		<b>72,692,239</b>	<b>11,691,684</b>	<b>(33,987,484)</b>	<b>50,396,440</b>	<b>78,013,995</b>	<b>11,746,072</b>	<b>(35,866,178)</b>	<b>53,893,892</b>
	<b>Comparatives</b>	<b>72,776,252</b>	<b>10,453,134</b>	<b>(33,123,333)</b>	<b>50,106,053</b>	<b>72,692,239</b>	<b>11,691,684</b>	<b>(33,987,484)</b>	<b>50,396,440</b>

*This Note continues on the following pages.*

**District Council of Cleve**  
**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	3,312,900	261,801	-	-	-	<b>3,574,701</b>
Buildings & Other Structures	6,273,122	2,798,603	366,470	-	(203,652)	<b>9,234,543</b>
Infrastructure						
Sealed	13,001,096	-	587,880	-	(325,007)	<b>13,263,969</b>
Unsealed	10,086,364	-	1,185,080	-	(619,593)	<b>10,651,851</b>
Kerbing & Guttering	2,759,656	-	1,962	-	(38,289)	<b>2,723,329</b>
Bridges	427,605	-	-	-	(13,256)	<b>414,349</b>
Culverts	54,529	-	34,184	-	(2,167)	<b>86,546</b>
Footpaths	1,891,851	-	43,919	-	(50,345)	<b>1,885,425</b>
CWMS	5,437,423	-	-	-	(117,820)	<b>5,319,603</b>
Plant, Machinery & Equipment	2,764,290	-	169,323	(36,653)	(384,014)	<b>2,512,946</b>
Office Equipment, Furniture & Fittings	72,441	-	20,300	-	(5,892)	<b>86,850</b>
Other Assets	4,315,163	-	21,559	-	(196,940)	<b>4,139,782</b>
<b>Total IPP&amp;E</b>	<b>50,396,440</b>	<b>3,060,405</b>	<b>2,430,676</b>	<b>(36,653)</b>	<b>(1,956,975)</b>	<b>53,893,892</b>
<i>Comparatives</i>	<i>50,106,053</i>	<i>1,010,273</i>	<i>2,253,074</i>	<i>(1,076,003)</i>	<i>(1,825,596)</i>	<i>50,396,440</i>

*This note continues on the following pages.*



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

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

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

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

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



# District Council of Cleve

## Notes to and forming part of the Financial Statements

### for the year ended 30 June 2023

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

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

Office Furniture & Equipment	3,000
Other Plant & Equipment	3,000
Buildings - new construction/extensions	10,000
Park & Playground Furniture & Equipment	3,000
Road construction & reconstruction	10,000
Paving & footpaths, Kerb & Gutter	3,000
Drains & Culverts	5,000
Reticulation extensions	5,000
Sidelines & household connections	5,000
Artworks	5,000

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

#### Plant, Furniture & Equipment

Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years

#### Building & Other Structures

Buildings – masonry	50 to 90 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 90 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years

**District Council of Cleve**  
**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

Sealed Roads – Surface	15 to 25 years
Sealed Roads – Structure	20 to 50 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 to 90 years
Paving & Footpaths, Kerb & Gutter	80 to 90 years
Drains & Culverts	80 to 90 years
Flood Control Structures	80 to 90 years
Dams and Reservoirs	80 to 90 years
Bores	20 to 40 years
Reticulation Pipes – PVC Other	70 to 80 years

Other Assets

Library Books	10 to 15 years
Artworks	indefinite
Right-of-use assets (refer Note 17)	2 to 3 years

**Land & Land Improvements**

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

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

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 1 July 2018 at current replacement cost. Additions are recognised at cost.

**Buildings & Other Structures**

Buildings and other structures were revalued as at 1 July 2018 by Asset Valuation & Consulting Pty Ltd. All acquisitions made after the respective dates of valuation are recorded at cost.



**District Council of Cleve**  
**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**

Transportation assets were valued by Council officers at depreciated current replacement cost during the reporting period ended 30 June 2020, based on actual costs incurred during the reporting periods ended 30 June 2018 and 2019. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure was revalued as at 1 July 2017 by Gayler Professional Engineering Pty Ltd at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2023. All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management system infrastructure was valued at depreciated current replacement cost as at 1 July 2018 by Gayler Professional Engineering Pty Ltd. All acquisitions made after the respective dates of valuation are recorded at cost.

**Plant, Furniture & Equipment**

These assets are recognised on the cost basis.

**All other assets**

All other assets were revalued as at 1 July 2018 by Gayler Professional Engineering Pty Ltd. All acquisitions made after the respective dates of valuation are recorded at cost. Library books and other lending materials are capitalised in bulk, and written out when fully depreciated.

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 8 - LIABILITIES**

	2023		2022	
	\$	\$	\$	\$
<b>TRADE &amp; OTHER PAYABLES</b>	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
Goods & Services	369,336	-	540,116	-
Payments received in advance	-	-	654,854	-
Accrued expenses - employee entitlements	39,733	-	44,012	-
Accrued expenses - other	4,726	-	5,300	-
GST Payable	1,243	-	10,509	-
Other	31,492	-	29,399	-
	<b>446,530</b>	<b>-</b>	<b>1,284,190</b>	<b>-</b>
 <b>BORROWINGS</b>				
Loans	102,963	339,598	182,861	402,562
	<b>102,963</b>	<b>339,598</b>	<b>182,861</b>	<b>402,562</b>

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

**PROVISIONS**

LSL Employee entitlements (including oncosts)	97,106	48,882	104,409	29,637
AL Employee entitlements (including oncosts)	215,856	-	171,488	-
	<b>312,962</b>	<b>48,882</b>	<b>275,897</b>	<b>29,637</b>

**Movements in Provisions - 2023 year only**  
*(current & non-current)*

Opening Balance	305,534
Additional amounts recognised	56,310
Closing Balance	<b>361,844</b>

**Leave & Other Provision**

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 9 - RESERVES**

<b>ASSET REVALUATION RESERVE</b>	1/7/2022	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2023
	\$	\$	\$	\$
Land	2,036,422	-	-	2,036,422
Buildings & Other Structures	6,798,374	-	-	6,798,374
Infrastructure	16,511,358	-	-	16,511,358
CWMS	2,361,895	-	-	2,361,895
Other Assets	1,771,879	-	-	1,771,879
<b>TOTAL</b>	<b>29,479,928</b>	<b>-</b>	<b>-</b>	<b>29,479,928</b>
<b>Comparatives</b>	<b>29,551,290</b>	<b>-</b>	<b>(71,362)</b>	<b>29,479,928</b>

<b>OTHER RESERVES</b>	1/7/2022	Transfers to Reserve	Transfers from Reserve	30/6/2023
CATV Re-Transmission	106,441	-	(31,885)	74,556
Cleve CWMS	431,240	13,272	-	444,512
Arno Bay CWMS Reserve	22,371	605	-	22,976
Arno Bay Boat Ramp Reserve	21,593	4,072	-	25,665
Arno Bay Harbour Mtc Reserve	59,354	2,078	-	61,432
<b>TOTAL OTHER RESERVES</b>	<b>640,999</b>	<b>20,027</b>	<b>(31,885)</b>	<b>629,141</b>
<b>Comparatives</b>	<b>545,822</b>	<b>124,907</b>	<b>(29,730)</b>	<b>640,999</b>

**PURPOSES OF RESERVES**

**Asset Revaluation Reserve**

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

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 10 - RECONCILIATION TO CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

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

	<b>Notes</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
Total cash & equivalent assets	5	<b>6,179,146</b>	7,753,069
Balances per Cash Flow Statement		<b><u>6,179,146</u></b>	<b><u>7,753,069</u></b>

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

Net Surplus (Deficit)		<b>3,088,240</b>	1,292,460
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		<b>1,956,975</b>	1,825,596
Net increase (decrease) in unpaid employee benefits		<b>52,031</b>	(94,165)
Grants for capital acquisitions treated as Investing Activity		<b>(2,310,165)</b>	(926,787)
Net (Gain) Loss on Disposals		<b>(41,074)</b>	407,366
		<b><u>2,746,008</u></b>	<b><u>2,504,470</u></b>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		<b>(192,421)</b>	(270,707)
Net (increase) decrease in inventories		<b>9,601</b>	(13,825)
Net increase (decrease) in trade & other payables		<b>(824,115)</b>	450,778
<b>Net Cash provided by (or used in) operations</b>		<b><u>1,739,072</u></b>	<b><u>2,670,716</u></b>

**(c) Financing Arrangements**

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

Bank Overdrafts	<b>21,000</b>	21,000
LGFA Cash Advance Debenture facility	<b>760,000</b>	760,000

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

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 11 - FUNCTIONS**

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

	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Administration</b>	<b>5,502,404</b>	5,032,909	<b>25,857</b>	21,771	<b>5,476,547</b>	5,011,138	<b>2,396,476</b>	1,689,681	<b>10,348,313</b>	10,034,656
<b>Public Order &amp; Safety</b>	<b>11,646</b>	10,769	<b>202,404</b>	170,422	<b>(190,759)</b>	(159,653)	-	-	<b>185,772</b>	180,142
<b>Health</b>	<b>1,466</b>	1,355	<b>22,625</b>	19,050	<b>(21,159)</b>	(17,695)	-	-	-	-
<b>Housing &amp; Community Services</b>	<b>174,519</b>	161,388	<b>1,031,149</b>	1,088,649	<b>(856,629)</b>	(927,261)	<b>2,634,249</b>	321,923	<b>6,060,956</b>	5,877,249
<b>Sport Recreation &amp; Culture</b>	<b>134,278</b>	124,174	<b>769,881</b>	648,231	<b>(635,604)</b>	(524,057)	-	-	<b>5,632,848</b>	5,462,116
<b>Mining &amp; Manufacture</b>	<b>11,407</b>	10,549	<b>92,370</b>	77,775	<b>(80,963)</b>	(67,226)	-	-	-	-
<b>Transport &amp; Communication</b>	<b>1,516,264</b>	1,402,178	<b>2,958,491</b>	2,491,016	<b>(1,442,227)</b>	(1,088,837)	<b>912,605</b>	1,503,212	<b>37,013,840</b>	35,638,086
<b>Economic Affairs</b>	<b>26,262</b>	24,286	<b>142,747</b>	120,191	<b>(116,485)</b>	(95,905)	-	-	<b>521,992</b>	506,171
<b>Other Purposes</b>	<b>178,609</b>	165,170	<b>114,968</b>	96,802	<b>63,641</b>	68,369	<b>27,538</b>	-	<b>3,203,257</b>	3,106,166
<b>Governance</b>	<b>1,646</b>	1,522	<b>543,591</b>	457,697	<b>(541,945)</b>	(456,175)	-	-	-	-
<b>Support Services</b>	<b>34,194</b>	31,621	<b>1,251,001</b>	980,489	<b>(1,216,807)</b>	(948,867)	-	-	<b>54,004</b>	52,368
<b>Social Security &amp; Welfare</b>	-	-	<b>24,694</b>	20,792	<b>(24,694)</b>	(20,792)	-	-	-	-
<b><u>TOTALS</u></b>	<b>7,592,695</b>	6,965,924	<b>7,179,778</b>	6,192,885	<b>412,917</b>	773,039	<b>5,970,868</b>	3,514,815	<b>63,020,982</b>	60,856,953



**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

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

The activities relating to Council functions are as follows:

**Business Undertakings**

Abattoirs, Caravan Parks, Electricity Supply, Gravel Pits/Quarries, Development of Land for Resale, Marinas/Boat Havens, Markets/Saleyards, Off-street Car Parks – fee paying, Private Works, Property Portfolio, Sewerage/CWMS, Water Supply – Domestic, Town Bus Service, and Other – please specify.

**Community Services**

Public Order and Safety, Crime Prevention, Emergency Services, Other Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Nursing Homes, Preventive Health Services, Other Health Services, Community Support, Elderly Citizens Facilities, Home Assistance Scheme, Other Services for the Aged and Disabled, Child Care Centres, Children and Youth Services, community Assistance, Community Transport, Family and Neighbourhood Support, Other Community Support, Community Amenities, Bus Shelters, Cemeteries / Crematoria, Public Conveniences, Car Parking – non-fee-paying, Telecommunications Networks, and Other Community Amenities.

**Culture**

Library Services, Mobile Libraries and Housebound Services, Static Libraries, Other Library Services, Cultural Services, Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services.

**Economic Development**

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

**Environment**

Agricultural Services, Agricultural Water, Animal/Plant Boards, Landcare, Other Agricultural Services, Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management, Other Environment, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

**Recreation**

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

**Regulatory Services**

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

**Transport**

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

**Plant Hire & Depot**

**Unclassified Activities**

**Council Administration**

Governance, Administration n.e.c., Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Housing for Council Employees, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose, and Separate and Special Rates.





**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 12 - FINANCIAL INSTRUMENTS**

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

**Accounting Policies - Recognised Financial Instruments**

**Bank, Deposits at Call, Short Term Deposits**

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

**Terms & conditions:** Deposits are returning interest rates between 1.05% and 4.3% (2022: 0.75% and 1.25%).

**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 2% (2022: 2%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

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

**Receivables - Fees & other charges**

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

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

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

**Receivables - other levels of government**

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

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

**Carrying amount:** approximates fair value.

**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.

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

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

**Liabilities - Interest Bearing Borrowings**

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

**Terms & conditions:** secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 2.15% and 5.5% (2022: 3.25% and 5.5%)

**Carrying amount:** approximates fair value.

**Liquidity Analysis**

2023	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash & Equivalents	6,218,182			6,218,182	6,179,146
Receivables	376,439	142,540	-	518,979	1,133,569
Other Financial Assets	-	-	-	-	-
<b>Total</b>	<b>6,594,621</b>	<b>142,540</b>	<b>-</b>	<b>6,737,161</b>	<b>7,312,715</b>

**Financial Liabilities**

Payables	1,064,628	-	-	1,064,628	402,071
Current Borrowings	-	-	-	-	102,963
Non-Current Borrowings	118,389	339,598	-	457,987	339,598
<b>Total</b>	<b>1,183,017</b>	<b>339,598</b>	<b>-</b>	<b>1,522,615</b>	<b>844,632</b>

2022	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash & Equivalents	7,753,069	-	-	7,753,069	7,753,069
Receivables	831,385	202,540	-	1,033,926	1,024,289
<b>Total</b>	<b>8,584,454</b>	<b>202,540</b>	<b>-</b>	<b>8,786,994</b>	<b>8,777,358</b>

**Financial Liabilities**

Payables	1,284,190	-	-	1,284,190	1,234,878
Current Borrowings	261,721	-	-	261,721	182,861
Non-Current Borrowings	-	805,122	-	805,122	402,562
<b>Total</b>	<b>1,545,911</b>	<b>805,122</b>	<b>-</b>	<b>2,351,033</b>	<b>1,820,301</b>

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	6.05	40,000	2.75	100,002
Fixed Interest Rates	3.99	402,560	3.55	485,421
		<b>442,560</b>		<b>585,423</b>



**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

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

**Net Fair Value**

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

Risk Exposures:

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

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 13 - 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.

	<b>2023</b>	2022	2021
<b>Operating Surplus Ratio</b>			
<u>Operating Surplus</u>	5.4%	11.1%	6.9%
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>	-80%	-95%	-102%
Total Operating Income			

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

**Asset Renewal Funding Ratio**

<u>Outlays on Existing Assets</u>	60%	88%	79%
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.*

**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.

<b>Adjusted Operating Surplus Ratio</b>	-1.7%	7.7%	7.1%
<b>Adjusted Net Financial Liabilities Ratio</b>	-61%	-80%	-90%
<b>Adjusted Asset Renewal Funding Ratio</b>	80%	na	na

An adjusted Asset Renewal Funding Ratio has been provided to reflect barriers encountered by Council in delivering its 2022-23 asset renewal program as well as some reclassifications of expenditure from capital to operating.

Due to supply chain issues the intended purchase of a grader and a prime mover could not take place in the 2022-23 financial year as they were not available to purchase.

In addition to this the disaster recovery program was estimated to incur a cost of \$900k in capital road construction. Much of this expenditure ended up being reported as road maintenance instead as required by the accounting standards. Accordingly the assets were replaced however the expenditure was reported in the Statement of Comprehensive Income instead of the Statement of Financial Position as initially budgeted.

The adjusted ratio reflects Councils true performance in relation to this indicator.

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 14 - UNIFORM PRESENTATION OF FINANCES**

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis, 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
	\$	\$
<b>Income</b>		
<i>Rates</i>	<b>3,788,145</b>	3,590,525
<i>Statutory charges</i>	<b>27,491</b>	29,701
<i>User charges</i>	<b>93,455</b>	224,510
<i>Grants, subsidies and contributions - Capital</i>	<b>315,019</b>	-
<i>Grants, subsidies and contributions` - Operating</i>	<b>3,021,600</b>	2,588,028
<i>Investment income</i>	<b>166,179</b>	35,586
<i>Reimbursements</i>	<b>116,343</b>	321,240
<i>Other income</i>	<b>64,463</b>	176,334
	<b>7,592,695</b>	6,965,924
<b>Expenses</b>		
<i>Employee costs</i>	<b>(2,449,071)</b>	(1,850,531)
<i>Materials, contracts and other expenses</i>	<b>(2,748,600)</b>	(2,487,975)
<i>Depreciation, amortisation and impairment</i>	<b>(1,956,975)</b>	(1,825,596)
<i>Finance costs</i>	<b>(25,132)</b>	(28,782)
	<b>(7,179,778)</b>	(6,192,885)
<b>Operating Surplus / (Deficit)</b>	<b>412,917</b>	773,039
<i>Timing adjustment for grant revenue</i>	<b>(532,843)</b>	(258,058)
<b>Adjusted Operating Surplus / (Deficit)</b>	<b>(119,926)</b>	514,981
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	<b>(2,430,676)</b>	(2,253,074)
Add back Depreciation, Amortisation and Impairment	<b>1,956,975</b>	1,825,596
Proceeds from Sale of Replaced Assets	<b>77,727</b>	68,636
	<b>(395,974)</b>	(358,842)
<b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	<b>(3,210,862)</b>	(1,911,139)
Amounts received specifically for New and Upgraded Assets	<b>1,979,395</b>	926,787
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-	600,000
	<b>(1,231,467)</b>	(384,352)
<b>Annual Net Impact to Financing Activities</b>	<b>(1,747,367)</b>	(228,212)



**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 15 – 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 2023. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

**Contributions to Other Superannuation Schemes**

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



**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 16 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

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

**1. LAND UNDER ROADS**

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

**2. POTENTIAL INSURANCE LOSSES**

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

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

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

**3. LEGAL EXPENSES**

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

**District Council of Cleve**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 17 - RELATED PARTY DISCLOSURES**

**KEY MANAGEMENT PERSONNEL**

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 7 persons were paid the following total compensation:

	<b>2023</b>	2022
	<b>\$</b>	<b>\$</b>
Salaries, allowances & other short term benefits	<b>518,850</b>	546,558
Termination benefits	<b>146,447</b>	-
<b>TOTAL</b>	<b>665,297</b>	546,558

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:

	<b>2023</b>	2022
	<b>\$</b>	<b>\$</b>
Contributions for fringe benefits tax purposes	<b>35,063</b>	-
Rentals for Council property	<b>13,000</b>	13,000
<b>TOTAL</b>	<b>48,063</b>	13,000

**PARTIES RELATED TO KEY MANAGEMENT PERSONNEL**

KMP and relatives of KMPs own retail businesses from which various supplies were purchased as required either for cash or on 30 day account. Purchases from Cleve Hotel Motel, Cleve Foodland, Cleve Butcher Shop, Quinns Overnight Freight, Cleve Golf Club, Lowe Design, Fishace totalled \$ 32,363.01

The following KMPs were part of the committees during the 2022-23 financial year: Cleve Field Days Committee - 1 KMP, Cleve Golf Club 1 KMP, Eastern Eyre CFS Group 1 KMP, Cleve SES Group 1 KMP, Eastern Ranges Netball Club Committee 1 KMP. In accordance with the Local Government Act 1999, these Elected Members declared a conflict of interest and left the council meeting environs when any matter affecting their club/group was discussed or voted on.



# Ian G McDonald FCA



## District Council of Cleve Independent Auditor's Report

We have audited the attached financial statements, being a general purpose financial report, of the District Council of Cleve (Council) for the year ended 30 June 2023.

### Opinion

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

- a) to present fairly the financial position of the Council as at the 30 June 2023 and the results of its operations for the period then ended, and;
- b) according to Australian Accounting Standards.

### Basis for Opinion

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

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

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

### Responsibilities of Management for the Financial Report

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

A handwritten signature in blue ink that reads 'Ian G McDonald'.

Ian G McDonald FCA  
Registered Company Auditor 16458

Signed at Grange this 6 November 2023

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# Ian G McDonald FCA

## Independent Assurance Report on the Internal Controls of the District Council of Cleve

We have audited the compliance of the District Council of Cleve (Council) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2022 to 30 June 2023 have been conducted properly and in accordance with law.

### Opinion

In our opinion, the Council has complied, in all material respects, with *Section 125* of the *Local Government Act 1999* in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2022 to 30 June 2023.

### Basis for Opinion

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

### Limitation on Use

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

### Inherent Limitations

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with *Section 125* of the *Local Government Act 1999* in relation to the Internal Controls specified above, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with *Section 125* of the *Local Government Act 1999* in relation to the Internal Controls specified above are undertaken on a test basis.

### 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* in relation to Internal Controls 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 Responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125* of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable *Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements*, issued by the *Australian Auditing and Assurance Standards Board*, in order to state whether, in all material respects, the Council has complied with *Section 125* of the *Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2022 to 30 June 2023. *ASAE 3100* also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

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



### Ian G McDonald FCA

Chartered Accountant  
Registered Company Auditor 16458

Signed at Grange, 6 November 2023

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**District Council of Cleve  
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 District Council of Cleve for the year ended 30 June 2023, the Council's Auditor, Ian G McDonald FCA, 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 Penfold**  
**CHIEF EXECUTIVE OFFICER**



.....  
**Chris Tarran**  
**PRESIDING MEMBER AUDIT COMMITTEE**

Date: 31 October 2023

## District Council of Cleve

### Annual Financial Statement

For the year ended 30 June 2023

## Audit Certificate of Audit Independence

We confirm that, for the audit of the financial statements of the District Council of Cleve for the year ended 30 June 2023, we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



**Ian G McDonald FCA**

Date: 6 September 2023





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