

Kingston District Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2022



General Purpose Financial Statements

for the year ended 30 June 2022

Contents	Page
Council Certificate	3
Principal Financial Statements	
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to and forming part of the Financial Statements	8
Independent Auditor's Report – Financial Statements	43
Independent Auditor's Report – Internal Controls	44
Certificates of Audit Independence	
Council Certificate of Audit Independence	45
Audit Certificate of Audit Independence	46

General Purpose Financial Statements
for the year ended 30 June 2022

Certification of Financial Statements

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

In our opinion:

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



Nat Traeger
Chief Executive Officer

09 November 2022



Kay Rasheed
Mayor

09 November 2022

Statement of Comprehensive Income

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
Income			
Rates	2a	5,632	5,094
Statutory Charges	2b	146	126
User Charges	2c	752	641
Grants, Subsidies and Contributions	2g	2,401	1,640
Investment Income	2d	50	61
Reimbursements	2e	149	143
Other income	2f	40	31
Total Income		<u>9,170</u>	<u>7,736</u>
Expenses			
Employee costs	3a	2,300	2,017
Materials, Contracts and Other Expenses	3b	3,595	3,449
Depreciation, Amortisation and Impairment	3c	2,581	2,085
Finance Costs	3d	85	92
Total Expenses		<u>8,561</u>	<u>7,643</u>
Operating Surplus / (Deficit)		<u>609</u>	<u>93</u>
Asset Disposal & Fair Value Adjustments	4	(1,144)	(854)
Amounts Received Specifically for New or Upgraded Assets	2g	614	334
Net Surplus / (Deficit)		<u>79</u>	<u>(427)</u>
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	6,300	48,116
Total Amounts which will not be reclassified subsequently to operating result		<u>6,300</u>	<u>48,116</u>
Total Other Comprehensive Income		<u>6,300</u>	<u>48,116</u>
Total Comprehensive Income		<u>6,379</u>	<u>47,689</u>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2022

\$ '000	Notes	2022	2021
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	6,122	4,269
Trade & Other Receivables	5b	272	563
Inventories	5c	95	74
<u>Subtotal</u>		<u>6,489</u>	<u>4,906</u>
Total current assets		<u>6,489</u>	<u>4,906</u>
Non-current assets			
Financial Assets	6a	2,853	2,857
Other Non-Current Assets	6b	227	167
Infrastructure, Property, Plant & Equipment	7a(i)	139,468	134,562
Total non-current assets		<u>142,548</u>	<u>137,586</u>
TOTAL ASSETS		<u>149,037</u>	<u>142,492</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	1,290	1,334
Borrowings	8b	1,077	394
Provisions	8c	327	292
<u>Subtotal</u>		<u>2,694</u>	<u>2,020</u>
Total Current Liabilities		<u>2,694</u>	<u>2,020</u>
Non-Current Liabilities			
Borrowings	8b	3,302	3,927
Provisions	8c	129	12
Total Non-Current Liabilities		<u>3,431</u>	<u>3,939</u>
TOTAL LIABILITIES		<u>6,125</u>	<u>5,959</u>
<u>Net Assets</u>		<u>142,912</u>	<u>136,533</u>
EQUITY			
Accumulated surplus		24,703	26,228
Asset revaluation reserves	9a	115,313	109,013
Other reserves	9b	2,896	1,292
Total Council Equity		<u>142,912</u>	<u>136,533</u>
<u>Total Equity</u>		<u>142,912</u>	<u>136,533</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2022

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2022					
Balance at the end of previous reporting period		26,228	109,013	1,292	136,533
Net Surplus / (Deficit) for Year		79	–	–	79
Other Comprehensive Income					
Gain (loss) on revaluation of IPP&E	7a	–	6,300	–	6,300
Other comprehensive income		–	6,300	–	6,300
Total comprehensive income		79	6,300	–	6,379
Transfers between Reserves		(1,604)	–	1,604	–
Balance at the end of period		24,703	115,313	2,896	142,912
2021					
Balance at the end of previous reporting period		26,713	60,897	1,234	88,844
Net Surplus / (Deficit) for Year		(427)	–	–	(427)
Other Comprehensive Income					
Gain (loss) on revaluation of IPP&E	7a	–	48,116	–	48,116
Other comprehensive income		–	48,116	–	48,116
Total comprehensive income		(427)	48,116	–	47,689
Transfers between Reserves		(58)	–	58	–
Balance at the end of period		26,228	109,013	1,292	136,533

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
Cash flows from operating activities			
<u>Receipts</u>			
Rates Receipts		5,667	5,119
Statutory Charges		146	126
User Charges		827	905
Grants, Subsidies and Contributions (operating purpose)		2,431	1,696
Investment Receipts		50	61
Reimbursements		155	157
Other Receipts		170	16
<u>Payments</u>			
Finance Payments		(87)	(99)
Payments to Employees		(2,135)	(2,027)
Payments for Materials, Contracts & Other Expenses		(4,082)	(2,715)
Net cash provided by (or used in) Operating Activities	10b	3,142	3,239
Cash flows from investing activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		614	334
Sale of Replaced Assets		61	104
Sale of Surplus Assets		8	120
Repayments of Loans by Community Groups		330	317
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(1,229)	(1,585)
Expenditure on New/Upgraded Assets		(1,231)	(1,330)
Loans Made to Community Groups		–	(18)
Net cash provided (or used in) investing activities		(1,447)	(2,058)
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from Borrowings		421	–
Proceeds from Other Borrowings		–	18
Proceeds from Bonds & Deposits		100	–
<u>Payments</u>			
Repayments of Borrowings		(363)	(367)
Net Cash provided by (or used in) Financing Activities		158	(349)
Net Increase (Decrease) in Cash Held		1,853	832
plus: Cash & Cash Equivalents at beginning of period		4,269	3,437
Cash and cash equivalents held at end of period	10a	6,122	4,269

Additional Information:

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

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

Contents of the Notes accompanying the General Purpose Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	9
2	Income	16
3	Expenses	18
4	Asset Disposal & Fair Value Adjustments	19
5	Current Assets	20
6	Non-Current Assets	21
7	Infrastructure, Property, Plant & Equipment	22
8	Liabilities	26
9	Reserves	27
10	Reconciliation to Statement of Cash Flows	29
11(a)	Functions	30
11(b)	Components of Functions	31
12	Financial Instruments	32
13	Capital Expenditure and Investment Property Commitments	35
14	Financial Indicators	36
15	Uniform Presentation of Finances	39
16	Superannuation	40
17	Interests in Other Entities	40
18	Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet	41
19	Related Party Transactions	42

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

(1) Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Critical Accounting Estimates

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

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

1.3 Rounding

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

1.4 Estimates and assumptions

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

COVID-19 is not expected to have a significant financial impact on Council operations with the Council working to reduce discretionary expenditure in the short term to help mitigate the effect of the reduced revenue and increased costs. It is expected further financial impacts will flow into the 2022/23 financial year but these have been largely taken into account during the development of the budget process for 2022/23 including, but not limited to reduction in bookings at the Caravan Park. The budget assumptions for 2022/23 assume that no further harsher restrictions are put in place by the government. However, Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

(2) The Local Government Reporting Entity

Kingston District Council is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 29 Holland Street, Kingston SA. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

(3) Income Recognition

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

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

	Cash Payment Received	Annual Allocation	Difference
2018/19	\$785,677	\$787,233	+ \$1,556
2019/20	\$762,423	\$772,717	+ \$10,294
2020/21	\$698,005	\$733,745	+ \$35,740
2021/22	\$1,174,293	\$975,007	- \$199,286

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

(4) Cash, Cash Equivalents and other Financial Instruments

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

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

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

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 12.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

(5) Infrastructure, Property, Plant & Equipment**6.1 Initial Recognition**

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

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

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Plant, Furniture & Equipment	\$10,000
Buildings	\$10,000
Park Furniture & Ancillary	\$10,000
Civil Infrastructure	\$10,000
Recreational	\$10,000
Stormwater Drainage	\$10,000
Marine Structures	\$10,000
Sewer Mains	\$10,000
Kerbs	\$10,000
Pathways	\$10,000
Roadways	\$10,000
Car Parks	\$10,000
Bridges & Major Culverts	\$10,000
Sewer Pump Station & Treatment Plant	\$10,000
Information Technology	\$10,000
Signage	\$5,000

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

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

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

Major depreciation periods for each class of asset are listed below. 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.

Plant, Furniture & Equipment

Office Equipment	5 to 10 years
Office Furniture	10 to 20 years

continued on next page ...

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Dredge Hull & Structure	50 years
Dredge mechanical	20 years
Support vessel hull & structure	30 years
Support vessel mechanical	10 years

Building

Structure	80 to 100 years
Sub- Structure	80,85 to 100 years
Roof	65 years
Fitout & Fittings	15 to 20 years
Floor coverings	10 to 20 years
Electrical Services	20 years
Mechanical Services	30 years
Security Services	40 years
Transport Services	20 years

Park Furniture & Ancillary

Bins	10 to 15 years
Benches	15 years
Picnic Sets	30 years
BBQ	20 years

Civil Infrastructure

Structures	40 to 80 years
Lighting	40 years
Miscellaneous Assets	25 to 40 years

Recreational

Play Equipment	25 years
Inflatable Pillow	40 years

Stormwater Drainage

Sump Bores	80 years
Pipes	100 years
Pits	80 years
Weir Boards	70 years

Marine Structures

(Piers) Pontoons	30 years
Boat Ramps	60 years
Sea Walls	250 years
Pathways	100 years
Groynes	100 years
Access Stairs	50 years
Faun Trackway	30 years

Sewer Pump Station & Treatment Plant

Pumps	15 to 20 years
Pipework	50 years
Valves	25 years
Fittings	5 to 80 years
Structure	20 to 80 years
Lagoons	100 years
Irrigation	15 to 80 years

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

<i>Sewer Mains</i>	
Mains	80 years
<i>Kerbs</i>	
Spoon Drain	80 years
Barrier Kerb (water table & kerb)	80 years
Edge Kerb (rollover kerb only)	80 years
<i>Pathways</i>	
Surface	100 years
Gravel	10 years
Sealed	20 years
Hotmix	30 years
Concrete	80 years
Paving	50 years
<i>Roadways</i>	
Formation	1000 years
Unsealed Pavement Base	20 years
Unsealed Pavement Sub Base	40 years
Sealed Pavement & Sub Base	250 years
Sealed Pavement Base	100 years
Surface	20 to 30 years
Protuberances	60 years
<i>Car Parks</i>	
Pavement Base	100 years
Pavement Sub Base	250 years
Surface	30 years
<i>Bridges & Major Culverts</i>	
Structure	80 years
Surface	50 years
Rails	50 years
<i>Information Technology</i>	
Server	5 to 8 years
<i>Signage</i>	
Memorial and signs	15 years

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.

(6) Payables

continued on next page ...

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

Note 1. Summary of Significant Accounting Policies (continued)

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

(7) Borrowings

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

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

(8) Employee Benefits

9.1 Salaries, Wages & Compensated Absences

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

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

Weighted avg. discount rate -1.238% (2021, -1.015%)

Weighted avg. settlement period 1 years (2021, 1 years)

9.2 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. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 16.

(9) 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.

(10) New accounting standards and UIG interpretations

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

Standards issued by the AASB not yet effective

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2022, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements that could be applicable to Councils.

Effective for NFP annual reporting periods beginning on or after 1 January 2022

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments

Effective for NFP annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2020-6)
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (amended by AASB 2021-6)

Effective for NFP annual reporting periods beginning on or after 1 January 2025

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5 and AASB 2021-7)

(11) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(12) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

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

Note 2. Income

\$ '000	2022	2021
(a) Rates		
General Rates		
General Rates	4,674	4,035
Less: Mandatory Rebates	(27)	(27)
Less: Discretionary Rebates, Remissions & Write Offs	(219)	(18)
Total General Rates	4,428	3,990
Other Rates (Including Service Charges)		
Community Wastewater Management Systems	497	421
Landscape Board Levy (Previously NRM Levy)	243	238
Waste Collection	442	428
Total Other Rates (Including Service Charges)	1,182	1,087
Other Charges		
Legal & Other Costs Recovered	10	4
Penalties for Late Payment	12	13
Total Other Charges	22	17
Total Rates	5,632	5,094
(b) Statutory Charges		
Animal Registration Fees & Fines	28	28
Development Act Fees	82	56
Health & Septic Tank Inspection Fees	14	14
Other Registration Fees	–	1
Parking Fines / Expiation Fees	6	6
Town Planning Fees	–	7
Other	16	14
Total Statutory Charges	146	126
(c) User Charges		
Aero Fees	1	1
Boat Ramp Fees	29	28
Cemetery/Crematoria Fees	21	28
Hall & Equipment Hire	5	5
Hire Fees	3	3
Kingston Foreshore Caravan Park	624	524
Property Lease	25	18
Sangarb Dump Fees	29	15
Sundry	7	5
Truck Wash Income	8	14
Total User Charges	752	641

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

Note 2. Income (continued)

\$ '000	2022	2021
(d) Investment Income		
Interest on Investments		
- Loans to Community Groups	34	34
- Local Government Finance Authority	16	27
<u>Total Investment Income</u>	<u>50</u>	<u>61</u>
(e) Reimbursements		
Diesel Fuel Rebate	31	18
Joint Undertakings	60	60
Private Works	1	13
Resource Sharing Agreements	54	38
Other	3	14
<u>Total Reimbursements</u>	<u>149</u>	<u>143</u>
(f) Other income		
Rebates Received	35	11
Sundry	1	6
Waste Transfer Station	–	6
Community Events	4	8
<u>Total Other income</u>	<u>40</u>	<u>31</u>
(g) Grants, Subsidies, Contributions		
Amounts Received Specifically for New or Upgraded Assets	614	334
<u>Total Amounts Received Specifically for New or Upgraded Assets</u>	<u>614</u>	<u>334</u>
Individually Significant Item - Additional Grants Commission Payment (refer below)	573	386
Other Grants, Subsidies and Contributions	475	675
Roads to Recovery	258	258
Sundry	–	4
Donations - Bushfire	–	5
Untied - Financial Assistance Grant	325	312
Local Roads Community Infrastructure	770	–
<u>Total Other Grants, Subsidies and Contributions</u>	<u>2,401</u>	<u>1,640</u>
<u>Total Grants, Subsidies, Contributions</u>	<u>3,015</u>	<u>1,974</u>
The functions to which these grants relate are shown in Note 12.		
(i) Sources of grants		
State Government	1,264	866
Other	1,751	1,108
Total	<u>3,015</u>	<u>1,974</u>
(ii) Individually Significant Items		
Grant Commission (FAG) Grant Recognised as Income	573	386

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

Note 3. Expenses

\$ '000	Notes	2022	2021
(a) Employee costs			
Employee Leave Expense		416	234
Less: Capitalised and Distributed Costs		(122)	(91)
Salaries and Wages		1,762	1,639
Superannuation - Defined Benefit Plan Contributions	16	23	23
Superannuation - Defined Contribution Plan Contributions	16	168	145
Other Employee Related Costs		16	17
Workers' Compensation Insurance		37	50
<u>Total Operating Employee Costs</u>		<u>2,300</u>	<u>2,017</u>
Total Number of Employees (full time equivalent at end of reporting period)		20	19
(b) Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		19	18
Elected Members' Expenses		98	92
Election Expenses		1	1
<u>Subtotal - Prescribed Expenses</u>		<u>118</u>	<u>111</u>
(ii) Other Materials, Contracts and Expenses			
Contractors		1,760	1,661
Contributions		122	116
Energy		113	122
Fringe Benefit Tax		39	37
Fuel		188	107
Insurance		181	167
Joint Undertakings		60	60
Legal Expenses		52	90
Levies - Other		15	9
Levies Paid to Government - Landscape Board Levy (Previously NRM Levy)		240	237
Maintenance		91	82
Other		4	1
Parts, Accessories & Consumables		124	124
Professional Services		167	179
Sundry		244	287
Other		38	16
Water		39	43
<u>Subtotal - Other Material, Contracts & Expenses</u>		<u>3,477</u>	<u>3,338</u>
<u>Total Materials, Contracts and Other Expenses</u>		<u>3,595</u>	<u>3,449</u>

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

Note 3. Expenses (continued)

\$ '000	2022	2021
(c) Depreciation, Amortisation and Impairment		
(i) Depreciation and Amortisation		
Buildings & Other Structures		
- Aviation	4	4
- Furniture	9	9
- Marine Structures (Buildings)	1	1
- Structure	12	13
- Recreational	6	6
- Miscellaneous	36	33
- Buildings	291	292
- Open Space	28	27
Infrastructure	–	2
Infrastructure		
- Transport Infrastructure	1,518	1,085
- Stormwater Drainage	15	12
CWMS	132	131
Marine	189	140
Plant & Equipment	327	323
Office Equipment	13	7
Subtotal	2,581	2,085
Total Depreciation, Amortisation and Impairment	2,581	2,085

(d) Finance Costs

Interest on Borrowings	71	83
Other	14	9
Total Finance Costs	85	92

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2022	2021
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	61	104
Less: Carrying Amount of Assets Sold	(1,211)	(1,062)
Gain (Loss) on Disposal	(1,150)	(958)
(ii) Assets Surplus to Requirements		
Proceeds from Disposal	8	120
Less: Carrying Amount of Assets Sold	(2)	(16)
Gain (Loss) on Disposal	6	104
Net Gain (Loss) on Disposal or Revaluation of Assets	(1,144)	(854)

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

Note 5. Current Assets

\$ '000	2022	2021
(a) Cash & Cash Equivalent Assets		
Cash on Hand at Bank	258	587
Deposits at Call	5,764	3,682
Short Term Deposits & Bills, etc.	100	–
<u>Total Cash & Cash Equivalent Assets</u>	<u>6,122</u>	<u>4,269</u>
(b) Trade & Other Receivables		
Rates - General & Other	91	126
Accrued Revenues	34	41
Debtors - General	55	54
GST Recoupment	7	–
Prepayments	81	12
Loans to Community Organisations	4	330
Subtotal	<u>272</u>	<u>563</u>
<u>Total Trade & Other Receivables</u>	<u>272</u>	<u>563</u>
(c) Inventories		
Stores & Materials	90	68
Trading Stock	5	6
<u>Total Inventories</u>	<u>95</u>	<u>74</u>

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

Note 6. Non-Current Assets

\$ '000	2022	2021
(a) Financial Assets		
Receivables		
Loans to Community Organisations and Other External Organisations	2,853	2,857
Subtotal	<u>2,853</u>	<u>2,857</u>
Total Receivables	<u>2,853</u>	<u>2,857</u>
<u>Total Financial Assets</u>	<u>2,853</u>	<u>2,857</u>
(b) Other Non-Current Assets		
Other		
Capital Works-in-Progress	227	167
Total Other	<u>227</u>	<u>167</u>
<u>Total Other Non-Current Assets</u>	<u>227</u>	<u>167</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment (continued)

(b) Valuation of Infrastructure, Property, Plant & Equipment

Valuation of Assets

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on Valuations

Accounting procedure: Upon revaluation, the current new replacement cost and accumulated depreciation are restated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, fair value is taken to be the current replacement cost.

Land is 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.

Buildings & Other Structures asset group is shown above as being based on fair value hierarchy level 3 valuation inputs. There is no known market for the asset classes within this asset group. These assets 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.

Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment (continued)

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

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Fair value hierarchy level 2 valuations: Land is 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 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.

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, including bulk earthworks with an assessed unlimited useful life, was valued at the current replacement cost as at 30 June 2022 using Valuer General Assessment by Assetic Australia Pty Ltd. Additions are recognised at cost.

Buildings & Other Structures

Buildings and other structures asset group has been broken down into more detailed asset classes (Aviation, Furniture, Marine Structures, Structure, Recreational, Miscellaneous, Buildings, and Open Space). Structure, Recreational, Miscellaneous, and Buildings were revalued as at 30 June 2022 by AssetVal.

Infrastructure

Transportation Infrastructure Assets

Transport Infrastructure Assets were revalued as at 30 June 2021 by Assetic Australia Pty Ltd.

Marine & Civil Structures Assets

Marine & Civil Structure Assets were revalued as at 30 June 2021 by Assetic Australia Pty Ltd.

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

Note 7. Infrastructure, Property, Plant & Equipment (continued)

Stormwater Drainage Assets

Stormwater Drainage Assets were revalued as at 30 June 2022 by AssetVal.

Community Wastewater Management System Assets

Community Wastewater Management System Assets were revalued as at 30 June 2022 by AssetVal.

Plant & Equipment

These assets are recognised on the cost basis.

Office Equipment

These assets are recognised on the cost basis.

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

Note 8. Liabilities

\$ '000	2022 Current	2022 Non Current	2021 Current	2021 Non Current
(a) Trade and Other Payables				
Goods & Services	675	–	742	–
Payments Received in Advance	146	–	435	–
Accrued Expenses - Employee Entitlements	46	–	29	–
Accrued Expenses - Finance Costs	35	–	37	–
Accrued Expenses - Other	288	–	91	–
Deposits, Retentions & Bonds	100	–	–	–
<u>Total Trade and Other Payables</u>	<u>1,290</u>	<u>–</u>	<u>1,334</u>	<u>–</u>

(b) Borrowings

Borrowings	1,077	2,881	394	3,927
Cash Advance Debenture	–	421	–	–
<u>Total Borrowings</u>	<u>1,077</u>	<u>3,302</u>	<u>394</u>	<u>3,927</u>

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

(c) Provisions

Employee Entitlements (including oncosts)	327	129	292	12
<u>Total Provisions</u>	<u>327</u>	<u>129</u>	<u>292</u>	<u>12</u>

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

Note 9. Reserves

\$ '000	as at 30/06/21		Transfers	Impairments	as at 30/06/22	
	Opening Balance	Increments (Decrements)			Closing Balance	
(a) Asset Revaluation Reserve						
Land	5,894	3,359	–	–		9,253
Buildings & Other Structures	12,542	(98)	–	–		12,444
Infrastructure	56,656	–	–	–		56,656
- Stormwater Drainage	–	326	–	–		326
- CWMS	1,460	2,713	–	–		4,173
- Marine	1,867	–	–	–		1,867
Plant & Equipment	356	–	–	–		356
Furniture & Fittings	1,777	–	–	–		1,777
Minor Plant & Equipment	3,783	–	–	–		3,783
Office Equipment	8,544	–	–	–		8,544
Marine Structures	16,134	–	–	–		16,134
Total Asset Revaluation Reserve	109,013	6,300	–	–		115,313
Comparatives	60,897	48,116	–	–		109,013

\$ '000	as at 30/06/21		Tfrs to Reserve	Tfrs from Reserve	Other Movements	as at 30/06/22	
	Opening Balance					Closing Balance	
(b) Other Reserves							
Open Space Reserve	6	–	–	–	–		6
Kingston CWMS	886	159	–	–	1,429		2,474
Cape Jaffa Maintenance Reserve	400	16	–	–	–		416
Total Other Reserves	1,292	175	–	–	1,429		2,896
Comparatives	1,234	58	–	–	–		1,292

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

Note 9. Reserves (continued)

Purposes of Reserves

Asset Revaluation Reserves

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).

Open Space Reserve

Open Space Contributions received as required under the Development Act 1993.

Kingston CWMS

Kingston CWMS is for future asset replacement and capital maintenance.

Cape Jaffa Maintenance Reserve

Cape Jaffa Maintenance Reserve is for future maintenance activities associated with Cape Jaffa Anchorage.

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

Note 10. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2022	2021
(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 Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Total Cash & Equivalent Assets	5	6,122	4,269
Balances per Statement of Cash Flows		6,122	4,269
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		79	(427)
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		2,581	2,085
Grants for capital acquisitions treated as Investing Activity		(614)	(334)
Net (Gain) Loss on Disposals		1,144	854
		3,190	2,178
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(35)	227
Net (Increase)/Decrease in Inventories		(21)	(12)
Net Increase/(Decrease) in Trade & Other Payables		(144)	919
Net Increase/(Decrease) in Unpaid Employee Benefits		152	(73)
Net Cash provided by (or used in) operations		3,142	3,239
(c) Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdrafts		100	100
Corporate Credit Cards		24	24
LGFA Cash Advance Debenture Facility		779	1,200

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

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

Note 11(a). Functions

	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 11(b).											
	2022	INCOME 2021	2022	EXPENSES 2021	2022	SURPLUS (DEFICIT) 2022	OPERATING 2021	2022	GRANTS INCLUDED IN INCOME 2022	2021	TOTAL ASSETS HELD (CURRENT & NON-CURRENT) 2022	2021
\$ '000												
Functions/Activities												
Business Undertakings	1,201	1,035	1,029	1,207	172	(172)	–	–	6	16,137	55,440	
Administration	5,491	4,916	427	341	5,064	4,575	1,277	1,015	–	10,086	6,607	
Community Services/ Amenities	42	52	420	340	(378)	(288)	–	–	–	17,284	11,322	
Library	–	–	49	29	(49)	(29)	53	30	–	–	–	
Economic Development	12	30	166	263	(154)	(233)	50	–	–	–	–	
Environment	430	459	608	681	(178)	(222)	1	152	–	–	–	
Health	18	22	22	11	(4)	11	–	–	–	1,306	855	
Public Order & Safety	–	–	22	37	(22)	(37)	–	–	–	501	328	
Recreation	62	62	1,547	1,229	(1,485)	(1,167)	68	68	–	23,049	15,098	
Regulatory Services	183	146	292	207	(109)	(61)	–	–	–	–	–	
Transport	1,357	565	3,292	2,671	(1,935)	(2,106)	952	369	–	80,674	52,842	
Waste Management	374	449	687	625	(313)	(176)	–	–	–	–	–	
Total Functions/Activities	9,170	7,736	8,561	7,641	609	95	2,401	1,640	149,037	142,492		

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 11(b). Components of Functions

The activities relating to Council functions are as follows:

ADMINISTRATION

Governance, Administration, Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, 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.

LIBRARY

Library Services

PUBLIC ORDER & SAFETY

Supervision of various by-laws, fire prevention, CFS and animal control, emergency services

HEALTH

Food Control, operation of community health programs and health centre

COMMUNITY SERVICES/ AMENITIES

Maintenance of halls, Senior Citizens centre, Other community support, public toilets, maintenance of cemeteries

ENVIRONMENT

Street cleaning and lighting, Stormwater drainage

ECONOMIC DEVELOPMENT

Tourism, private works

REGULATORY SERVICES

Building Act requirements, dog control, health inspection, other regulatory services

BUSINESS UNDERTAKINGS

Effluent drainage, Land Development, Caravan parks, Truckwash

WASTE MANAGEMENT

Rubbish Collection Services, Green waste, Waste Transfer Station operation

TRANSPORT

Construction and maintenance of roads, bridges, footpaths, parking and signs, aerodromes, plant & depot operations

RECREATION

Parks and gardens, recreation and sporting venues, Foreshore/ Marine operations, museum, sport and recreation

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 12. Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rate of 0.3%.

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - Rates & Associated 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:

Secured over the subject land, arrears attract interest of 0.25%. 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. 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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 12. Financial Instruments (continued)

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities - Interest Bearing Borrowings**Accounting Policy:**

Initially recognised at fair value and subsequently at amortised cost using the effective interest rate.

Terms & Conditions:

Secured over future revenues, borrowings are repayable (varied terms); interest is charged at fixed and variable rates between 2.05% and 5.4%.

Carrying Amount:

Approximates fair value.

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets and Liabilities					
2022					
Financial Assets					
Cash & Cash Equivalents	6,122	–	–	6,122	6,122
Receivables	198	–	2,846	3,044	3,044
Total Financial Assets	6,320	–	2,846	9,166	9,166
Financial Liabilities					
Payables	1,044	–	–	1,044	1,144
Current Borrowings	610	–	–	610	1,077
Non-Current Borrowings	–	506	3,738	4,244	3,302
Total Financial Liabilities	1,654	506	3,738	5,898	5,523
2021					
Financial Assets					
Cash & Cash Equivalents	4,269	–	–	4,269	4,269
Receivables	551	–	2,846	3,397	3,408
Total Financial Assets	4,820	–	2,846	7,666	7,677
Financial Liabilities					
Payables	900	–	–	900	899
Current Borrowings	555	–	–	555	394
Non-Current Borrowings	–	505	3,737	4,242	3,927
Total Financial Liabilities	1,455	505	3,737	5,697	5,220

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

2022

2021

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

Note 12. Financial Instruments (continued)

\$ '000	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	4.60%	1,080	4.44%	1,475
Fixed Interest Rates	2.80%	3,299	2.05%	2,846
		<u>4,379</u>		<u>4,321</u>

Net Fair Value

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 12. Financial Instruments (continued)

Risk Exposures

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

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

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

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

Expected Credit Losses (ECL)

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

Set out below is the movement in the allowance for expected credit losses:

Note 13. Capital Expenditure and Investment Property Commitments

\$ '000	2022	2021
Other Expenditure Commitments		
Expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Accounting Services	–	7
Audit Services	38	57
Caravan Park Management	119	229
Employee Remuneration Contracts	1,535	704
Lawn Mowing	481	580
IT Services	94	–
Recyclable Collection	597	14
Rubbish Collection	1,592	38
Resource Sharing	22	–
Desludging	151	–
Construction Waste	42	–
	4,671	1,629
These expenditures are payable:		
Not later than one year	1,268	644
Later than one year and not later than 5 years	3,403	985
	4,671	1,629

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

Note 14. Financial Indicators

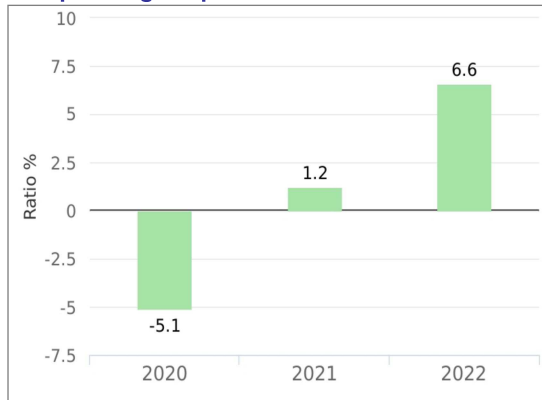
	Indicator 2022	Indicators 2021	Indicators 2020
<p>Financial Indicators overview <i>These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.</i></p>			
1. Operating Surplus Ratio			
Operating Surplus	6.6%	1.2%	(5.1)%
Total Operating Income			
<p><i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i></p>			
2. Net Financial Liabilities Ratio			
Net Financial Liabilities	(34)%	(22)%	(26)%
Total Operating Income			
<p><i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.</i></p>			
Adjusted Operating Surplus Ratio			
Operating Surplus	4.7%	1.6%	(5.0)%
Total Operating Income			
Adjustments to Ratios			
<p><i>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.</i></p>			
Adjusted Net Financial Liabilities Ratio			
Net Financial Liabilities	(28)%	(18)%	(20)%
Total Operating Income			
3. Asset Renewal Funding Ratio			
Asset Renewals	66%	103%	71%
Infrastructure & Asset Management Plan required expenditure			
<p><i>Asset renewals expenditure is defined as 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.</i></p>			

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

Note 14. Financial Indicators (continued)

Financial Indicators - Graphs

1. Operating Surplus Ratio



Purpose of operating surplus ratio

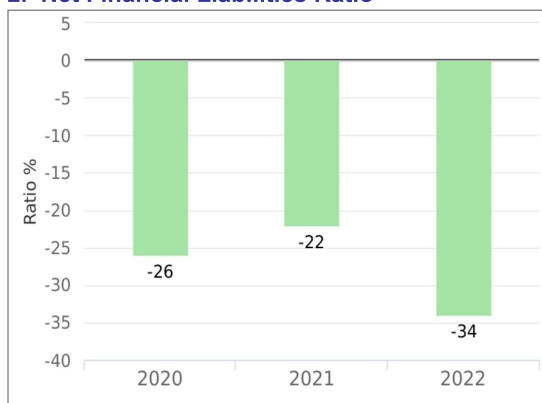
This indicator is to determine the percentage the operating revenue varies from operating expenditure

Commentary on 2021/22 result

2021/22 ratio 6.6%

2021/22 Council received Financial Assistance Grants in advance. The increased demand in the construction industry for labour and materials, has resulted in the inability to complete some operating projects

2. Net Financial Liabilities Ratio



Purpose of net financial liabilities ratio

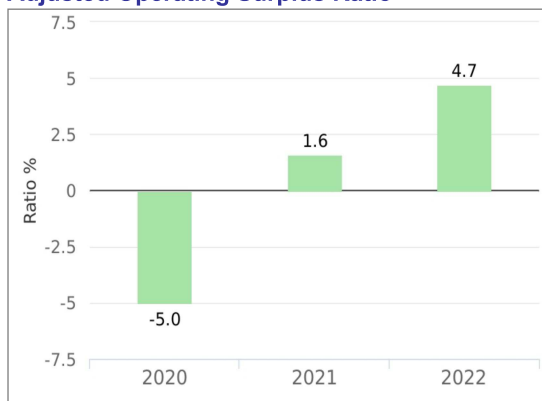
This indicator shows the significance of the net amount owed to others, compared to operating revenue

Commentary on 2021/22 result

2021/22 ratio (34)%

2021/22 Council received Financial Assistance Grants in advance

Adjusted Operating Surplus Ratio



Purpose of adjusted operating surplus ratio

This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

Commentary on 2021/22 result

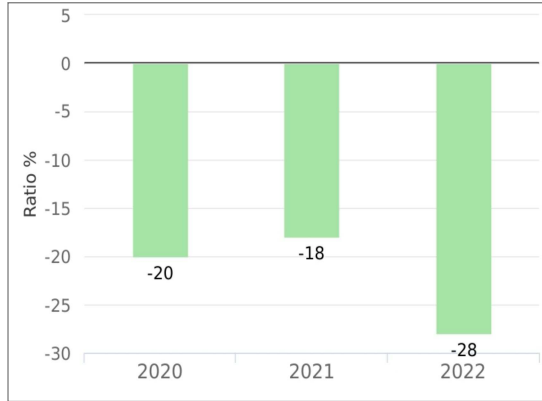
2021/22 ratio 4.7%

This ratio removed the affect from the advance payment of the Financial Assistance Grant. The trend of operational deficit is included in the Long Term Financial Plan.

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

Note 14. Financial Indicators (continued)

Adjusted Net Financial Liabilities Ratio



Purpose of adjusted net financial liabilities ratio

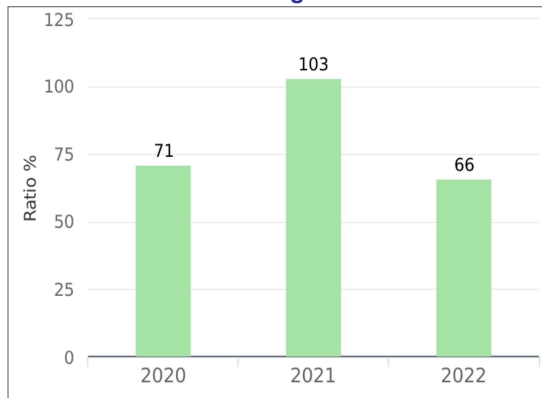
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

Commentary on 2021/22 result

2021/22 ratio (28)%

The ratio removed the affect from the advance payment of the Financial Assistance Grant. A negative Net Financial Liabilities Ratio shows, Council has more cash and financial assets in bank than is owed in borrowing.

3. Asset Renewal Funding Ratio



Purpose of asset renewal funding ratio

This indicator aims to determine if assets are being renewed and replaced in an optimal way

Commentary on 2021/22 result

2021/22 ratio 66%

The increased demand in the construction industry for labour and materials, has resulted in the inability to complete some capital projects.

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

Note 15. Uniform Presentation of Finances

\$ '000	2022	2021
<p>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.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	9,170	7,736
less Expenses	(8,561)	(7,643)
Operating Surplus / (Deficit)	609	93
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(1,229)	(1,235)
add back Depreciation, Amortisation and Impairment	2,581	2,085
add back Proceeds from Sale of Replaced Assets	61	104
	1,413	954
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(1,231)	(3,341)
add back Amounts Received Specifically for New and Upgraded Assets	614	334
add back Proceeds from Sale of Surplus Assets (including investment property, real estate developments & non-current assets held for resale)	8	120
	(609)	(2,887)
Net Lending / (Borrowing) for Financial Year	1,413	(1,840)

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 16. Superannuation

The Council makes employer superannuation contributions in respect of its employees to Host Plus. 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% in 2021/22; 9.50% in 2020/21). 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 2020/21) of "superannuation" salary.

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

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

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

Contributions to Other Superannuation Schemes

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

Note 17. Interests in Other Entities

Council has no interest in any Equity Accounted Businesses such as Joint Ventures, Associates & Joint Operations.

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

Note 18. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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

1. Land under roads

As reported in the Financial 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 the 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 deductible "insurance excesses", the amount of which varies according to the class of insurance.

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

3. Bank guarantees

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to **\$2,281,146** (2021:\$2,281,146) at reporting date.

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

5. Legal expenses

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 19. Related Party Transactions

Key Management Personnel

Transactions with 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, 11 persons were paid the following total compensation:

\$ '000	2022	2021
The compensation paid to Key Management Personnel comprises:		
Short-Term Employee Benefits	467	580
Post-Employment Benefits	39	47
Total	506	627

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

Receipts from Key Management Personnel comprise:

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

Planning and Building Application Fees	1	4
Total	1	4

Key Management Personnel or close family members (including related parties) received Discretionary rate rebates during the year, for a Community Group that they are a member of. In accordance with the Local Government Act 1999, these person's declared conflicts of interest and took no part in the assessment or approval process for this rebate. Total rebates amounted to \$7,921

Close family members of Key Management Personnel (including related parties) own a retail business from which various supplies were purchased as required on a 30-day account. Total purchases amounted to \$26,249.

Five (5) close family members of Key Management Personnel are employed by Council in accordance with the terms of the Awards, and as recorded in the public Register of Salaries maintained in accordance with section 105 of the Local Government Act 1999.

Key Management Personnel or close family members (including related parties) for a Community Group lodged a total of one (1) planning & building applications during the year. Total fees for this application (all of which are payable of lodgement) amounted to \$931.00. The fee was waived under the provisions of the Waiving of Fees for Community Groups Policy.



INDEPENDENT AUDITOR'S REPORT

To the members of the Kingston District Council

Opinion

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

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

Basis for Opinion

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

Council's Responsibility for the Financial Report

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

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

Mount Gambier

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

Stirling

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

Norwood

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

W: www.galpins.com.au

Galpins Trading Pty Ltd
ABN: 89 656 702 886

Liability limited by a scheme approved
under Professional Standards Legislation

Auditor's Responsibility for the Audit of the Financial Report

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

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

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

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Luke Williams CA, CPA, Registered Company Auditor
Partner

11/11/2022



INDEPENDENT AUDITOR'S REPORT

To the Members of the Kingston District Council

Independent Assurance report on the Internal Controls of the Kingston District Council

Opinion

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

In our opinion, the Kingston District Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2021 to 30 June 2022.

Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2021 to 30 June 2022. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

The Council's Responsibility for Internal controls

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

Our Independence and Quality Control

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

Mount Gambier

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

Stirling

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

Norwood

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

W: www.galpins.com.au

Galpins Trading Pty Ltd
ABN: 89 656 702 886

Liability limited by a scheme approved
under Professional Standards Legislation

Auditor's responsibility

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the Local Government Act 1999 in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the Local Government Act 1999 in relation only to the Internal Controls specified above for the period 1 July 2021 to 30 June 2022. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

Limitations of Controls

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

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

Limitation of Use

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Luke Williams CA, CPA, Registered Company Auditor
Partner

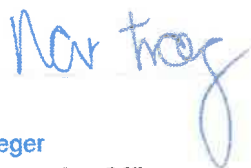
11/11/2022

General Purpose Financial Statements
for the year ended 30 June 2022

Certification of Auditor Independence

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

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



Nat Traeger
Chief Executive Officer



Kay Rasheed
Presiding Member, Audit & Risk Committee

Date: 09 November 2022

General Purpose Financial Statements

for the year ended 30 June 2022

Statement by Auditor

I confirm that, for the audit of the financial statements of Kingston District Council for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants (including Independence Standards) 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*.



Luke Williams

**Galpins Accountants, Auditors & Business
Consultants**

Date: 11 November 2022