CITY OF
TEA TREE GULLY
Naturally Better

2023–2024

Annual Report

The City of Tea Tree Gully's Annual Report 2023–2024 provides details on our performance against our 2023–2024 Annual Business Plan and Budget, as well as the outcomes and objectives of our Strategic Plan 2025.

This publication has been developed in compliance with the *Local Government Act 1999 (SA)* and provides a comprehensive and transparent account of our performance, achievements, challenges and financial management from 1 July 2023 to 30 June 2024.

For more information, visit **cttg.sa.gov.au**

The City of Tea Tree Gully recognises this City's considerable natural and cultural heritage, including thousands of years of Traditional Custodianship by the Kaurna people and the more recent contributions from all who live here. We build on this heritage today by respecting and listening to each other, being receptive to new ideas and acting wisely for the current and future well-being of our community.

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Cover photo: A still afternoon at Civic Park, Modbury.

Greenwith residents enjoying an upgraded footpath along Green Valley Drive.

Introduction

In the Financial Year 2023–2024, the City of Tea Tree Gully allocated more than $34 million towards strategic projects to strengthen our local economy and enhance the wellbeing of our residents.

This Annual Report highlights the hard work of our staff and Elected Members to deliver these achievements, underscoring our commitment to ensuring a sustainable future for our City.

To cater for a growing demand in sports and special interest groups, a number of strategic building projects were progressed. Construction of a community building and sporting clubroom at Harpers Field, Golden Grove, is nearing completion, while construction has begun on the clubroom and changeroom for the Tea Tree Gully City Soccer Club at Tilley Recreation Park, Surrey Downs. Plans are underway for a clubroom facility and sports field lighting for Modbury Sporting Club, Ridgehaven, with construction due to commence in September 2024.

These initiatives represent substantial investments promising enduring benefits, made possible through the invaluable partnership with the State Government of South Australia, which has helped offset project costs.

We have continued to create inclusive and engaging outdoor spaces, evidenced by the creation of an adventure playspace for the community to enjoy – including new play equipment, an accessible toilet, car park, access road and picnic facilities – at Golden Fields Reserve, Golden Grove.

Accessible unisex public toilets with drinking fountains were also installed along the River Torrens Linear Park, Dernancourt and Highbury, and at Cobbler Creek West Reserve, Greenwith.

To enhance community safety and amenity, we invested heavily to improve roads, footpaths and streetscapes. This included new footpaths in Ronald Road, Redwood Park, Silverlake Crescent, Highbury and Green Valley Drive, Greenwith.

On the environmental front, we were pleased to be awarded a 'Tree City of the World' accolade by the Food and Agriculture Organization of the United Nations (FAO) in collaboration with the Arbor Day Foundation.

We planted thousands of native trees and shrubs to support biodiversity and offer cooling effects during hot weather. Waste education remained a key focus as we continue to reduce the environmental and financial costs of waste going to landfill.

Throughout the year, our vibrant calendar of community events continued to foster social cohesion, from major events, to engaging library and recreation centre activities.

Looking forward, the City of Tea Tree Gully will remain in a robust financial position thanks to diligent fiscal management, effective leadership and enhanced service efficiency gains.

We experienced leadership changes on Council due to ill health, with Cr Lyn Petrie replacing Cr Damian Wyld in Drumminor Ward. This appointment brings a continued dedication to serving our community.

We extend our sincere gratitude to past and present Councillors, dedicated staff, volunteers, and our community members whose ongoing support enables us to achieve these milestones.

City profile

A snapshot of key information about our City, including geographical, economic, demographic and event data.

9,521 ha
total land area

607
parks and reserves

1,305 ha
open space

127
playgrounds

33%
rural area

100,000
street trees

66%
urban area

22.29%
tree canopy cover

590 km
sealed roads

576 km
sealed footpaths

1,253 km
kerbs and gutters

93 km
unsealed footpaths

41,034
dwellings

2.5
people per household

5,920
active trading businesses

$4.05b
Gross Regional Product

- 0–19 years (23.29%)
- 20–29 years (11.56%)
- 30–64 years (45%)
- 65–74 years (10.99%)
- 75+ years (9.1%)

27%
of residents born overseas

15.11%
undertaking voluntary work

51%
with tertiary qualifications

50,906
residents are employed

13,217
tonnes of food and organic material diverted from landfill and turned into compost

2,000
Mini Muncher kitchen caddies distributed to residents

3.8m
kerbside bin collections

67,000
attended major and activation events

205,211
Waterworld attendances

2,000
attended community development and arts programs and activities[1]

43,139
attended library services programs and events

45,000
volunteer hours completed

10
community engagement activities

[1] Includes Gallery 1855

Strategic direction & achievements

Council uses a suite of strategic management plans to set its priorities and guide decision making and annual business planning, including budgeting.

The Strategic Plan 2025 is the lead document in Council's strategic planning framework. It articulates our vision and aspirations for the community – that is, everyone who lives in, works in or visits the City of Tea Tree Gully.

Community wellbeing is at the heart of the plan, which aims to build a healthy community that enjoys a quality lifestyle.

To ensure that we have the flexibility to adjust to changing priorities and build our capacity, we have also developed a plan geared towards improving the way we do business.

In working towards this vision, the 2023–2024 Annual Business Plan and Budget identified key projects, programs and services that we anticipated would deliver on the aspirations and objectives identified in these plans.

CEO Key Performance Indicators 2023–2024

1. Financial Sustainability

Output and Outcome	Measure	Responsibility	Progress Update
Ensure robust financial management by achieving the following (subject to decisions of Council not within the CEO's control): • Operating surplus ratio – between 2.5% and 10% on an annual basis in accordance with Long Term Financial Plan • Asset sustainability ratio – Capital outlays on renewing / replacing assets net of proceeds from the sale of replaced assets, as greater than 90% but less than 110% of depreciation over a rolling 3 year period • Net financial liabilities ratio of between 25% and 35% within a 3 to 5 year period.	As per measures in Financial Sustainability Policy	Manager Finance & Rating Services	**Completed** The unaudited adjusted forecasts for the 2023-2024 are below. The figures may change before the external audit is completed. The operating surplus, to reflect the timing of the financial assistance grants, is forecast to be 3.1%. Asset sustainability ratio: 65.0% – below target due to the strategic building investment program and carry forwards. The ratio will be within the target range over the 3 year rolling period. Net financial liabilities ratio: 14% – below target but when the Carry Forwards are added to the 2024–2025 Draft Budget, NFL is forecast to remain in line with the 25% contained with the Budget.

2. Customer Experience

Output and Outcome	Measure	Responsibility	Progress Update
Commence implementation of the Customer Experience Strategy / Plan in order to provide a positive experience for customers based on honesty and transparency.	Report presented to Service Review Committee providing status update on implementation	Manager Customer & Communications	**On track** CX training program for all staff has been developed and deployment is underway with completion due by late 2024. So far training has been delivered to 150 staff. KPMG review of Salesforce undertaken. Portal has had bins register added, shows proactive works schedule and now developing templates for customer response. Steering committee works ongoing. New public website driven by analytics and searches has been delivered on 27 June to remove customer effort. Refreshed look and feel of branded items delivered, social media account merge delivered to unify messages. Customer relations improvement and efficiency plan underway, including volunteer community concierge and new resident program from early 2024.
Develop consistent standards and expectations for programs and events in Community Services including ongoing monitoring and review, having considered regular participant feedback and alignment to community needs and wellbeing.	Standards presented to Service Review Committee	General Manager, Community Services	**On track** Program and Events framework has been established to facilitate consistent program logic. This will be presented to SRC in August 2024.

3. Community Wellbeing

Output and Outcome	Measure	Responsibility	Progress Update
The extent to which residents agree or disagree (based on their experience of living in the City of Tea Tree Gully), whether; • diversity is welcome and celebrated; • the City is a good place to raise a family and grow old; • the City is a place of growth and prosperity; and • people feel safe in the community.	Measurement obtained from community survey results	Manager Community Connections	**Completed** Annual community wellbeing survey was undertaken for 20 May 2024 to 13 June 2024. **Community Wellbeing Survey 2024** **Wellbeing indicators** / **Target** / **Result** Diversity is welcomed and celebrated in the City of Tea Tree Gully — 75% — 76% The City of Tea Tree Gully is a good place to raise a family — 95% — 95% The City of Tea Tree Gully is a good place to grow old — 88% — 88% The City of Tea Tree Gully is a place of growth and prosperity — 75% — 78% I feel safe being out in parks and public spaces in my local community — 86% — 78%
Undertake a review of active ageing services to ensure the service is sustainable, accessible and responds to changing community needs, while supporting belonging, inclusion and connection.	Review outcomes presented to Services Review Committee.	Manager Community Connections	**Completed** Review of Active Ageing Services has been completed with findings presented to Service Review Committee on 5 July 2024.

4. Asset Management

Output and Outcome	Measure	Responsibility	Progress Update
Undertake a review of Asset Management Plans (AMPs) in accordance with legislative requirements to ensure they effectively guide the strategic direction of Council.	AMPs presented to Council within legislative timeframes	Manager Technical & Engineering Services	**On track** The Audit and Risk Committee endorsed the AMPs for Community Engagement at the meeting held on Tuesday 18 June 2024. Council then endorsed the AMPs for Community Engagement on the 25 June 2024. Community Engagement commenced on the 18 July 2024. The AMPs need to be endorsed by November 2024 and they are on track.
Review the Playspace Guide to consider appropriate classification and distribution of playgrounds across the City, in consultation with Elected Members, to ensure playspace development addresses current and future community needs that aligns to strategic plans.	Reviewed playspace guide adopted by Council by 30 June 2024	General Manager Strategy & Finance	**On track** The outcomes of phase one of the review and recommendations were endorsed by the Service Review Committee and Council in May 2024 and incorporated into the draft Open Space Asset Management Plan, which is under consultation from 18 July to 22 August. Phase 2 of the review including mapping to inform future classifications and age profiles for the renewal, upgrade and provision of new playspaces is progressing.

5. Strategic Planning

Output and Outcome	Measure	Responsibility	Progress Update
Undertake a review of Strategic Plan to ensure it effectively guides the strategic direction of Council.	Presented to Council within legislative timeframes	Manager City Strategy	**On track** Various workshops have been held with Elected Members to prepare the draft Strategic Plan 2030. Council endorsed a draft for CE to be undertaken between 1 July – 26 July. On track to present the outcomes of engagement and a final draft to Council in Q1 of 2024–2025.

6. Places

Output and Outcome	Measure	Responsibility	Progress Update
Develop a master plan for Civic Centre, park and surrounding areas to ensure planning considers current and future community needs, and supports the revitalisation of Modbury Precinct as the City's key activity centre.	Masterplan presented to Council by 30 June 2024	General Manager Strategy & Finance	**Completed** Council endorsed the Modbury Central Master Plan Concept & Delivery Framework at its meeting on 25 June 2024. Work has commenced to progress the next stage of the project.
Prepare a City maintenance and presentation uplift plan to ensure places are appealing, safe, accessible and interesting, with progress updates reported to the Service Review Committee.	Plan developed, with progress updates provided to the Committee at every meeting	General Manager City Operations	**Completed** Quarterly status reports submitted to the Service Review Committee on the following dates: • 18 October 2023 • 21 February 2024 • 21 May 2024

7. Project delivery

Output and Outcome	Measure	Responsibility	Progress Update
Delivery of Council's capital works program to ensure projects that are delivered are appealing, safe, accessible and interesting.	Greater than or equal to 85% of delivery of Council's planned capital works program	Manager Project Management Office	**On track** **Status** / **Total** In Progress 19 Removed from program 3 Completed (91%) 196 In this program was the delivery of carry over 2023–2024 capital renewal program, including completion of road renewal program and footpath program, equating to over 130 individual projects completed.

8. Continuous Improvement

Output and Outcome	Measure	Responsibility	Progress Update
Demonstrate value for money and continuous improvement in what we deliver across our services, with four service reviews undertaken with regular progress reporting.	4 services reviews undertaken with progress reports to Service Review Committee	Manager Corporate Governance	**Completed** 21 service reviews are either in progress or completed for 2023–2024. Out of these, 9 are in progress, and 12 reviews have been completed with outcomes presented to Service Review Committee. Status reporting on progress of these reviews are provided at every ordinary Committee meeting.

Review	Status
CX Strategy	Completed
eServices – Digital Economy	Completed
Main Roads and Gateways	Completed
Customer Relations Contact Centre Review	Completed
Customer Relations Improvement Plan 2024	Completed
Payroll Functional Analysis	Completed
Community Services Opportunity Review	Completed
School Patrol Program for 2024	Completed
Procurement Practices (Quotations)	Completed
Service Review Committee – Terms of Reference	Completed
Playground Guide Review	Completed
Facilities – Programmed and Preventative Maintenance	Completed
Hard Waste collection services – variation to mattress collection	Completed
Community Safety – Draft Policy	Completed
Waste and Resources Recovery Strategy	Completed
Council Report – Templates	Completed
Active Ageing Services	Completed
Library Services Review	In progress
Property/Building Management (including leases)	In progress
Private Parking (12-month trial)	In progress
Work Health and Safety – Site Risk Assessment (Internal Process Review)	In progress
Arts and Culture Strategy	In progress
Works Management	In progress
Main Roads and Gateways – City Wide	In progress
Community Events and Programs Framework	In progress
Building Optimisation	On hold

9. Staff Engagement

Output and Outcome	Measure	Responsibility	Progress Update
Ensure the regular measurement of staff engagement levels, with an achievement of an employee engagement result of at least 65%, with at least 50% employee participation. Ensure that a process is in place to address the feedback provided.	Pulse surveys at least once per quarter, with results based on the prior 12-month average	Manager Procurement, People & Capability	**Completed** The Pulse Survey is run every 10 weeks. Response rate for the period of 27 May – 7 June 2024, 61% engagement and satisfaction rate of 71%. The results from each survey period are discussed with relevant staff and teams. This aims to ensure that the feedback is actioned and opportunities for improvement progressed. For the surveys run from August 2023 – June 2024 the combine survey results are 65% engagement and 71% satisfaction.

10. Leadership

Output and Outcome	Measure	Responsibility	Progress Update
Create sustainable leadership that is focused on the long-term interests of the community, with the implementation of a revised organisation structure for Community Services.	Revised structure implemented	General Manager Community Services	**Completed** Community Services Restructure has been completed with findings presented to Service Review Committee in July 2023. The new structure in place from 18 September 2023. The key outcomes were: • Reduction of 1 department and Manager • Creation of job opportunities • Strategic Thinking at a Team Leader level • Streamlining and consolidation of services • Contingency planning • Positive financial variance • All building hire will be facilitated by one team rather than the previous arrangement where there are different teams that pick up different types of hire (permanent, casual, etc.)

ALL ABILITIES
Cheer and Dance
JOIN OUR CHEER
& DANCE FAMILY!
AUSSIE GOLD CHEER & DANCE

Our Community and Volunteer Expo held at Golden Grove Recreation & Arts Centre in June.

Reporting on strategic plan themes and objectives

Community

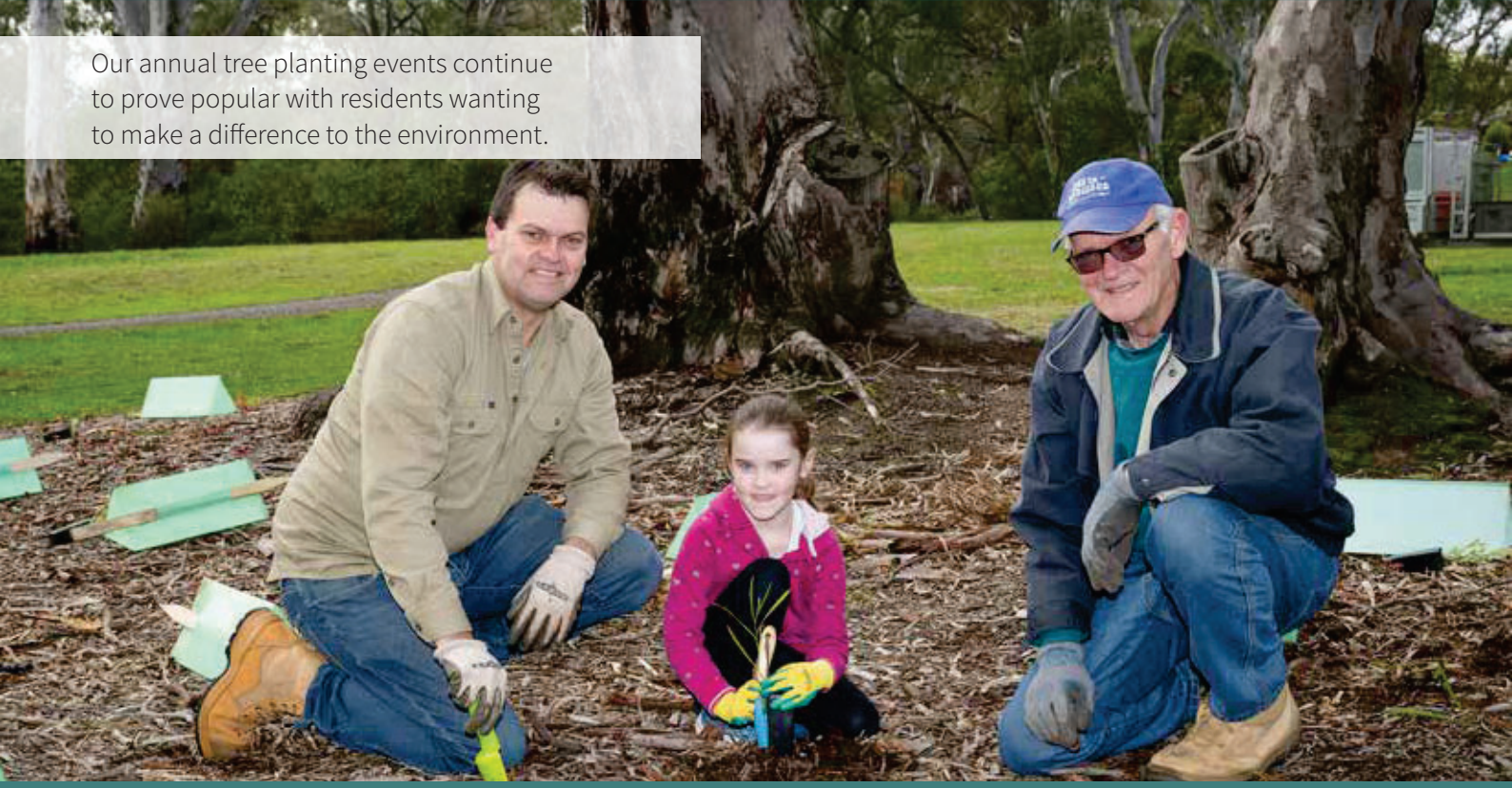
We create opportunities for people to connect with one another and to their local community.

Objectives

- People feel a sense of belonging, inclusion and connection with places, spaces and the community
- Diversity is welcome and celebrated
- There are opportunities for people to volunteer, give back and share their skills with others in the community
- Our services are accessible to all and respond to changing community needs
- People can have a say in decisions that affect them and the key decisions of the Council

Achievement highlights

- Rollout of Safety Awareness and Safe Work Method Statements matrix
- Programs and Events Framework project completion
- Delivered 150% on the standard Schools Immunisation Program for 2023
- Sold out Carols and highest annual attendances at Waterworld
- Maintained large range of programs and facilities across Recreation Centre sites within budget provisions
- Increase in onboarding new Active Ageing clients and most services/programs
- 4,007 private parking and 133 road rule expiations issued with introduction of weekend patrols
- The introduction school patrols framework set on a schedule with regularly reviewed measures
- External dog management audit completed with no concerning findings, continuous Improvement review of dog diaries completed



Our annual tree planting events continue to prove popular with residents wanting to make a difference to the environment.

Environment

We are leaders in how we manage and care for our environment – we minimise the impacts of climate change, protect our community from public and environmental health risks, and actively promote sustainable and healthy living.

Objectives

- Environmentally valuable places and sites that are flourishing and well cared for
- A community that is protected from public and environmental health risks
- The carbon footprint of our city is reduced through the collective efforts of community and Council, including business
- Our consumption of natural resources is minimised by reducing, reusing and recycling products and materials, and using renewable resources
- We are resilient to climate change and equipped to manage the impact of extreme weather events
- Our tree canopy is increasing

Achievement highlights

- Environmental Management Framework commenced, including Water Security Program
- Waste & Resource Recovery Strategy and comprehensive action plan endorsed

Daniel, a local business owner, with the environmentally sustainable 'milk on tap' product.

Economy

We support a thriving local economy where businesses are successful and people have access to a range of employment and education opportunities.

Objectives

- Modbury Precinct is revitalised as the City's key activity centre
- A population profile that supports a growing economy
- A local economy that is resilient and thrives, where businesses are supported to grow and prosper, provide local jobs and sustain our economy, and visitors can utilise technology to improve the liveability of our City
- People are supported to develop their leadership and employment capabilities
- Support the efficient use of land for valuable mineral extraction and energy resources

Achievement highlights

- 92.98% of 1,594 Development Applications completed within Statutory Timeframes at a development value of $417 Million
- Achieved 91.25% of Class 1a house inspections, surpassing 66% target
- Significantly improved upon swimming pool inspections, at 90.63% so far this year

Places

We create places where people enjoy living and spending time because they are appealing, safe, accessible and interesting.

Objectives

- Streets, paths, open spaces and parks are appealing, safe and accessible
- Opportunities exist to express and experience art and culture
- Neighbourhoods are easy to move around and are well connected with pedestrian and cycle paths that offer an alternative to cars
- Buildings and places are well designed, energy efficient and display a uniqueness of character and identity
- Housing is well designed and affordable and responds to the changing needs of existing and future residents
- Infrastructure and community facilities are fit for purpose, constructed using sustainable practices and well maintained

One of our Community Safety team members on duty at a local primary school.

Achievement highlights

- Delivery of Councils Annual Business Plan capital renewal projects, including a number of carry-over projects
- Implementation of a holistic program for capital renewal projects
- Delivery of contracted services, including verge maintenance, arboriculture and civil infrastructure
- Cemetery Review to incorporate physical services with the Cemetery Management Contract
- Uplift Program, including Barracks Road, Hyde Park Reserve (Rose Garden), Smart Road verge
- Maintenance programming improvements such as; Creek cleaning program, footpath and kerb activities.
- Harpers Field Community Conversations and Concept Plan finalised
- Construction progress on Harpers Field Redevelopment and Tilley Recreation Park Clubroom
- Delivery of streetscape upgrades on Grand Junction Road and Golden Grove Road
- State of Play project continuous improvement roadmap completed
- Precinct Planning.
- Delivery of public art outcomes at multiple reserves
- Prepared 3yr forward works plans for the renewal of roads, buildings and installation of new footpaths
- Developed programs and designs of infrastructure assets including roads, stormwater, footpaths, irrigation and etc.
- Managed the politically sensitive Giant Pine Scale outbreak and received recognition in the treatment and rehabilitation of Elliston Reserve

A few of our Tea Tree Gully Men's Shed volunteers with their new panel saw.

Leadership

We are trusted to make good decisions that are in the best interests of our community.

Objectives

- Leadership and advocacy is focused on the long-term interests of the community
- Customer service provides a positive experience for people based on honesty and transparency
- Planning considers current and future community needs
- Delivery of services is sustainable and adaptable
- Decision making is informed, based on evidence and is consistent
- Major strategic decisions are made after considering the views of our community

Achievement highlights

- Multiple Service Reviews
- Introduction of a Leadership Development and Diversity & Inclusion initiatives
- External Financial Audits conducted with excellent results
- Strategic Plan 2030 developed and Regional Plan for the City of Tea Tree Gully endorsed
- IT Asset Management Plan developed to enhance service delivery
- Customer Experience (CX) Strategy, first year of implementation

Reporting our progress on 2023–2024 targets

A series of performance indicators have been developed to measure our progress against the strategic objectives in the Strategic Plan 2025. Our wellbeing pillars underpin our Strategic Plan and contribute to a healthy, safe, prosperous, connected, vibrant and liveable community.

Measures of success

Community wellbeing targets for 2023–2024 Wellbeing indicators	2023–2024 Results	2024–2025 Targets
Diversity is welcomed and celebrated in the City of Tea Tree Gully	76%	75%
The City of Tea Tree Gully is a good place to raise a family	95%	95%
The City of Tea Tree Gully is a good place to grow old	88%	88%
The City of Tea Tree Gully is a place of growth and prosperity	78%	75%
I feel safe being out in parks and public spaces in my local community	78%	86%

Capital works indicators	2023–2024 Results	2024–2025 Targets
Capital works projects completed by 30 June 2024	91%	85%

Customer service indicators	2023–2024 Results	2024–2025 Targets
Overall resident satisfaction with Council communications	72%	66%
Enquiry resolution at the first point of contact	87%	86%

Creek works were undertaken at Berri Reserve, Hope Valley to improve the flow of the natural water course.

The my.teatreegully website give customers 24/7 access to our digital services, such as online rates and requests.

Our Council

The City of Tea Tree Gully is divided into six wards and represented by the Mayor and 12 Elected Members, elected by the local community every four years.

The roles of the Mayor and Elected Members are specified within the *Local Government Act 1999*, the legislation that provides the framework for councils to operate in South Australia.

Elected Members play a vital leadership role in representing the interests of the community and setting the vision and strategic direction of Council.

Mayor and Elected Members

(as at 30 June 2024)

Mayor

Marijka Ryan
marijka.ryan@cttg.sa.gov.au or 0408 656 362

Balmoral Ward

Cr Irena Zagladov
irena.zagladov@cttg.sa.gov.au or 0493 376 325

Cr Rob Unger
rob.unger@cttg.sa.gov.au or 0416 116 654

Pedare Ward

Cr Bernie Keane
bernie.keane@cttg.sa.gov.au or 0407 560 215

Cr Tammie Sinclair
tammie.sinclair@cttg.sa.gov.au or 0430 370 230

Steventon Ward

Cr Lucas Jones JP
lucas.jones@cttg.sa.gov.au or 0425 411 618

Cr Jessica Hawkvelt (Deputy Mayor)
jessica.hawkvelt@cttg.sa.gov.au or 0432 170 364

Drumminor Ward

Cr Lyn Petrie*
lyn.petrie@cttg.sa.gov.au or 8397 7444

Cr Kimberley Drozdoff
kimberley.drozdoff@cttg.sa.gov.au or 0413 830 392

Hillcott Ward

Cr Kristianne Foreman
kristianne.foreman@cttg.sa.gov.au or 0419 608 661

Cr Sandy Keane
sandy.keane@cttg.sa.gov.au or 0419 850 779

Water Gully Ward

Cr Marina Champion
marina.champion@cttg.sa.gov.au or 0402 741 897

Cr Blake Lawrenson
blake.lawrenson@cttg.sa.gov.au or 0493 283 615

* Note: Cr Petrie was elected on 1 December 2023, due to a vacancy created from the resignation of Cr Damian Wyld on 13 November 2023.

Elector representation

Periodic review of elector representation

Councils in South Australia are required (by section 12 of the *Local Government Act 1999*) to carry out a comprehensive review of all aspects of their elector representation arrangements to determine whether the community would benefit from an alteration to its composition or ward structure.

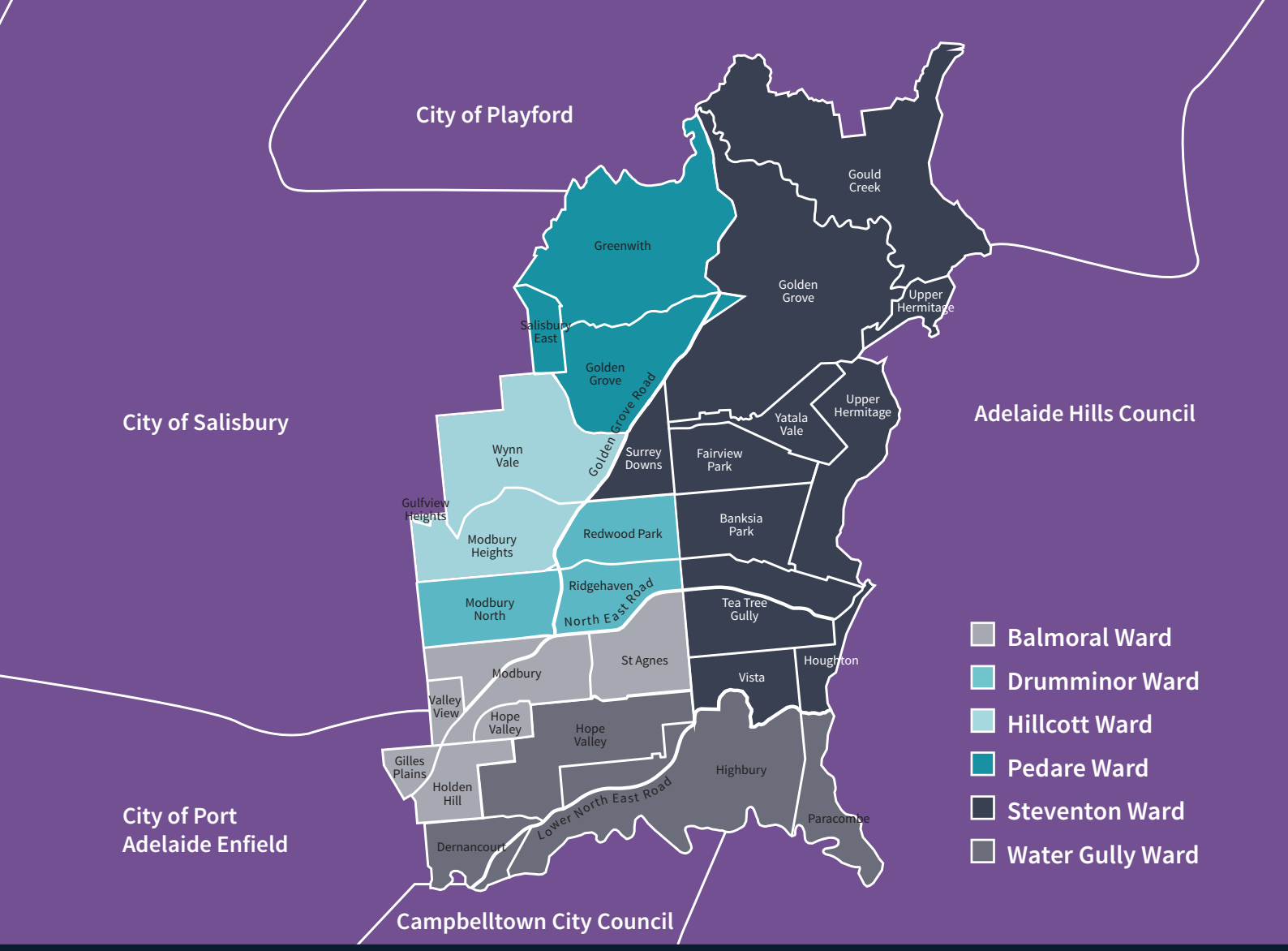
This review must be undertaken at least once in each relevant period, as prescribed by the *Local Government (General) Regulations 2013* and published by notice in the South Australian Government Gazette. The City of Tea Tree Gully last undertook a review between October 2016 and October 2017, with the next review scheduled for October 2024 to October 2025.

Sections 12, 26 and 33 of the *Local Government Act 1999* set out the requirements and processes that councils are required to follow when undertaking an elector representation review. Areas considered in this type of review include:

- whether the Council area should be divided into wards and/or whether existing wards should be abolished
- the number of councillors that should represent the community
- the boundaries or names of wards if there are to be any.

As part of the review process, Council must prepare a representation report that covers these areas, which will be subject to public consultation.

The Council must then make a decision on what the future representation structure and composition of Council would be. Depending on the nature of the representation report, it may be referred to the Electoral Commissioner of South Australia for consideration as per the requirements in the Act. Any changes made to Council's composition or structure as a result of the review would come into effect for the next periodic local government elections in November 2026.



The City of Tea Tree Gully is represented by 13 Elected Members, including the Mayor, who is elected by the whole community, and 12 Councillors representing six wards (two councillors per ward), who are elected by voters in their ward.

The Mayor and 12 Councillors positions represent a total of 74,774 electors across the City of Tea Tree Gully, with each Elected Member representing an average of approximately 5,751 electors. This continues to be one of the highest numbers of electors per elected member of all 68 South Australian councils.

The chart below compares the City of Tea Tree Gully's representation quota with neighbouring and other comparable councils. The representation quota has been determined by dividing the total number of electors for each council by the number of elected members.

Council name	Number of Elected Members	Number of electors	Representation quota
Onkaparinga	13	133,861	10,297
Salisbury	15	98,637	6,575
Tea Tree Gully	13	74,774	5,751
Charles Sturt	17	90,687	5,334
Marion	13	68,346	5,257
Port Adelaide Enfield	18	90,246	5,013
Playford	16	72,103	4,506
Campbelltown	11	37,148	3,377
Adelaide Hills	13	30,881	2,375

Allowances, training, gifts and benefits

Allowances

Elected Members receive an annual allowance to assist them in undertaking their functions and duties.

These allowances are set by the independent Remuneration Tribunal of South Australia in accordance with the provisions of section 76 of the *Local Government Act 1999*.

Elected Members may also receive support in performing their duties as prescribed in the *Local Government Act 1999* and Council's Elected Member Support and Training Policy. The Policy, as well as a register that records all Elected Members' allowances and support, is available to view on our website.

Other allowances

External independent members of two of Council's committees are paid a sitting fee to attend meetings.

Audit Committee	Allowance Paid (per meeting)
Independent members	$500

Council Assessment Panel	Allowance Paid (per meeting)
Presiding Member	$641.24
Independent Member	$524.67
Elected Member	$291.46

Elected Member	Allowances paid July 2023 – June 2024
Mayor Marijka Ryan	$94,739.33
Cr Rob Unger *(Presiding Member of Service Review Committee and Deputy Mayor from 29 November 2022 to 30 May 2024)*	$29,606.07
Cr Irena Zagladov *(Presiding Member of Audit and Risk Committee)*	$29,606.07
Cr Kristianne Foreman	$23,684.81
Cr Sandy Keane	$23,684.81
Cr Bernie Keane	$23,684.81
Cr Tammie Sinclair	$23,684.81
Cr Lyn Petrie *(elected on 1 December 2024)*	$14,102.06
Cr Kimberley Drozdoff	$23,684.81
Cr Marina Champion	$23,684.81
Cr Blake Lawrenson	$23,684.81
Cr Jessica Hawkvelt *(Deputy Mayor from 31 May 2024)*	$24, 204.70
Cr Lucas Jones *(Presiding Member of Governance and Policy Committee & CEO Performance Review Committee)*	$29,606.07
Previous Elected Members	
Cr Damian Wyld *(resigned from Council on 13 November 2023)*	$11,485.11

Gifts and benefits

There were three gifts above the value of $50 declared as provided to members of the Council during the relevant financial year:

Name of person	From whom (name and organisation)	Reason for offer and acceptance	Description of gift of benefit	Estimated value	Refused or Accepted (If accepted what was done with the gift
Cr Rob Unger	City of Playford	Networking and relationship building with City of Playford Mayor and community members	2 tickets to SANFL game including lunch	$150.00	Accepted – attended event
Mayor Marijka Ryan	Adelaide 500	Invitation from the Premier	2 tickets	$150.00	Accepted – attended event
Mayor Marijka Ryan	Patrick Ryan (husband) through Ecotec Painting & Maintenance	Event hosted by Mayor Marijka Ryan and funded by Ecotec Painting & Maintenance	Catering costs	$500.00	Declined

Development and training

The City of Tea Tree Gully is committed to providing training and development activities for Elected Members in accordance with the Elected Member Support and Training Policy.

During 2023–2024, the training and development program for Elected Members included the following professional learning opportunities, along with some relevant workshop discussion topics:

- Mandatory training and induction (in accordance with LGA Training Standards) which contained the following modules:
  - Behaviour
  - Civic
  - Legal
  - Strategy & Finance
- Council specific induction
- Sports and Community Grant Signage and Fencing Update
- Golden Grove Code Amendment
- Giant Pine Scale and Associated Tree Removals
- Common Equity Housing
- Cat Management, By-Laws and Animal Re-homing practices
- Waterworld Masterplan
- Customer Service Request Training
- Grant Opportunities
- Public Notification and availability of documents for representors against a development authorisation
- Expansion Update & Lease/Purchase Portion Council Reserve
- City Maintenance for Spring
- Strategic Buildings Projects
- Regional Planning
- Civic Park Precinct Vision
- Community Grants
- White Ribbon Accreditation
- Strategic Planning
- SA Water
- Main Roads and Gateways

Council invested approximately $17,760.97 to provide this training and development.

The following table provides a summary of the details of any interstate and international travel (excluding prescribed interstate travel) undertaken by members of the Council during the relevant financial year funded in whole or in part by the Council. The costings are as at 30 June 2024.

Name	Training	Cost
Mayor Marijka Ryan	Australian Local Government Association National General Assembly – Canberra	$1,853.68
Cr Marina Champion	Australian Local Government Association National General Assembly – Canberra	$1,704.31
	ALGWA Networking Breakfast – Canberra	$95.00

Behavioural management

Elected Member Behavioural Standards

The following table provides a summary of complaints about Elected Member behaviour:

Complaint about	Number of alleged contraventions	Costs incurred by Council for dealing with complaint
Member behaviour	3	$1,727.20
Health and safety	0	$0

Confidentiality provisions

While Council and committee meetings are generally conducted in public, in the interest of the broader community it may be necessary to restrict public access to discussion and/or documents.

During 2023–2024, 33 items were considered in accordance with section 90(3) of the *Local Government Act 1999*, where it was necessary to exclude the public from the discussion of a particular matter.

The following table summarises the number of occasions that the provisions listed in section 90(2) (excluding the public during debate) or section 91(7) (documents to be kept confidential for a period of time) were used during the 2023–2024 financial year. The confidential status was current at 30 June 2024.

Date of meeting	Council / committee	Subject matter	Section 90(2)	Section 90(3)	Section 91(7)	Confidentiality status
25 June 2024	Council	Civic Park Precinct (Modbury Central) Vision	1	1	1	Order remains
28 May 2024	Council	Appointment of Consultant for CEO Performance Review	1	1	1	Order released on 30 May 2024
28 May 2024	Council	SACAT Complaint 2023/SA001373 Outcome – former Mayor Kevin Knight	1	1	1	Order remains
28 May 2024	Council	Modbury Sporting Clubroom Construction – Tender Recommendation	1	1	1	Order remains
28 May 2024	Council	Sale of Land for Non-Payment of Council Rates	1	1	1	Order remains
26 March 2024	Council	Golden Grove Recreation & Arts Centre and Hockey Precinct Masterplan	1	1	1	Order released on 27 March 2024

Date of meeting	Council / committee	Subject matter	Section 90(2)	Section 90(3)	Section 91(7)	Confidentiality status
12 March 2024	Council	Submission – Remuneration Tribunal of SA – Local Government Chief Executive Officers	1	1	1	Order remains
13 February 2024	Council	Public Lighting	1	1	1	Order remains
13 February 2024	Council	Civic Park Precinct Vision Update	1	1	1	Order remains
30 January 2024	Council	Park development – Australia Reserve, Modbury	1	1	1	Order remains
12 December 2023	Council	Recommendation from the Audit & Risk Committee held on 6 December 2023 – Recommendation for the Award of Contract – Provision of External Audit Services	1	1	1	Order released on 20 December 2023
12 December 2023	Council	2024 City of Tea Tree Gully Australia Day Awards	1	1	1	Order released on 30 January 2024
12 December 2023	Council	Tilley Recreation Park Clubroom Construction – Tender Recommendation	1	1	1	Order released on 5 February 2024
12 December 2023	Council	SACAT matter 2023/SA001373 – Mr Kevin Knight	1	1	1	Order released on 16 May 2024

Date of meeting	Council / committee	Subject matter	Section 90(2)	Section 90(3)	Section 91(7)	Confidentiality status
12 December 2023	Council	Civic Centre Café	1	1	1	Order released on 31 May 2024
6 December 2023	Audit & Risk Committee	Recommendation for the Award of Contract – Provision of External Audit Services	1	1	1	Order released on 20 December 2023
28 November 2023	Council	Rescission Motion – Tilley Recreation Park Clubroom Construction – Tender Recommendation	1	1	1	Order released on 30 June 2024
14 November 2023	Council	Council Assessment Panel	1	1	1	Order released on 20 December 2023
14 November 2023	Council	Request to rename Memorial Oval reserve within Tea Tree Gully Sports Area	1	1	1	Order released on 8 January 2024
14 November 2023	Council	Tilley Recreation Park Clubroom Construction –Tender Recommendation	1	1	1	Order remains
31 October 2023	Special Meeting of Council	Verge and Median Maintenance – Tender Outcome	1	1	1	Order released on 10 January 2024
31 October 2023	Special Meeting of Council	Waste Processing Contract – Tender Outcome	1	1	1	Order released on 9 January 2024
24 October 2023	Council	Tea Tree Gully Tennis Clubroom Redevelopment Section 48 Prudential Report	1	1	1	Order remains

Date of meeting	Council / committee	Subject matter	Section 90(2)	Section 90(3)	Section 91(7)	Confidentiality status
11 October 2023	Special Audit & Risk Committee	Tea Tree Gully Tennis Clubroom Redevelopment Section 48 Prudential Report	1	1	1	Order remains
26 September 2023	Council	Unsolicited Proposal – Common Equity Housing SA Ltd – Additional Housing – 500 Wright Road, Modbury	1	1	0	No retention order
12 September 2023	Council	Sale of Land for Non Payment of Council Rates	1	1	1	Order released on 3 April 2024
22 August 2023	Council	Recommendations from the CEO Performance and Remuneration Review Committee Meeting	1	1	1	Order released on 3 October 2023
14 August 2023	CEO Performance Review Committee	CEO Performance and Remuneration Review Outcomes 2022–2023	1	1	1	Order released on 3 October 2023
25 July 2023	Council	Audit & Risk Committee Recommendation: Modbury Sporting Clubroom Section 49 Prudential Report	1	1	1	Order remains
25 July 2023	Council	Civic Park Changing Places development	1	1	1	Order remains
25 July 2023	Council	Audit & Risk Committee Recommendation: Tilley Recreation Park Phase 1 Section 48 Prudential Report	1	1	1	Order released on 5 February 2024

Date of meeting	Council / committee	Subject matter	Section 90(2)	Section 90(3)	Section 91(7)	Confidentiality status
19 July 2023	Special Meeting of Audit & Risk Committee	Tilley Recreation Park Phase 1 Section 48 Prudential Report	1	1	1	Order released on 5 February 2024
19 July 2023	Special Meeting of Audit & Risk Committee	Modbury Sporting Clubroom Section 48 Prudential Report	1	1	1	Order remains
Total orders			**33**	**33**	**32**	

A total of 19 confidential retention orders expired, ceased to apply or were revoked (or partly revoked) during 2023–2024 (including 18 orders which were made in 2023–2024).

There were 41 confidential retention orders under section 91(7) that remained operative as at 30 June 2024 (made after 15 November 2010). Of these, 14 are listed in the above table, with the remaining 27 operative as at 30 June 2024 listed below.

Date of meeting	Council/ committee	Subject matter	Section 90(3)
30 May 2023	Special Meeting of Council	Expression of Interest – Strategic Land Purchase	(b)
23 May 2023	Council	Strategic Land Purchase Investigation	(b)
9 May 2023	Council	Expression of Interest – Strategic Land Purchase	(b)
28 February 2023	Council	Harpers Field Community Building and Clubrooms Construction – Tender Recommendation	(b) and (k)
11 October 2022	Council	Third Party Provisional Report – 2022/00900	(j)
1 September 2022	Special Meeting of Council	Third Party Provisional Report – 2021/01843	(j)
23 August 2022	Council	Golden Grove Residential & Commercial Code Amendment and infrastructure deeds	(d) and (m)
12 July 2022	Council	Sale of Land for Non-Payment of Council Rates	(a)
28 June 2022	Council	Draft Annual Business Plan 2022–2023 Amendments	(d) and (h)
14 June 2022	Council	Correspondence from Ombudsman – Complaint relating to the Investigation Process for Third Party Referrals	(j)

Date of meeting	Council/ committee	Subject matter	Section 90(3)
26 April 2022	Council	Golden Grove Residential and Commercial Code	(m)
28 September 2021	Council	Public Lighting	(i)
8 June 2021	Council	Notice of Motion – Apology to Edinburgh Reserve Petition Group	(i)
4 May 2021	Special Meeting of Council	Deputy Mayor Report – In relation to Council Resolution Number 780 from the Special Meeting of Council 17 March 2021	(j)
23 March 2021	Special Meeting of Council	Public Statement – Third Party Referral	(j)
17 March 2021	Special Meeting of Council	Deputy Mayor Report – Third Party Referral – Final Report – 2020/005321	(j)
17 March 2021	Special Meeting of Council	Chief Executive Officer Report – Third Party Referral – Final Report – 2020/005321	(j)
23 February 2021	Council	Third Party Referral – Final Report – 2020/003687	(a)
27 October 2020	Council	Deputy Mayor Report – Third Party Referral – Final Report – 2020/002486, 2020/003501, 2020/003535, 2020/003646, 2020/005321	(j)
27 October 2020	Council	Deputy Mayor Report – Third Party Referral – Final Report – 2020/002094	(a) (e) and (j)
25 August 2020	Council	Third Party Referral considerations	(j)
14 July 2020	Council	Third Party Referral	(j)
29 June 2020	Council	Complaint lodged by Mr Kevin Knight against Chief Executive Officer	(a) (h) and (j)
25 February 2020	Council	Third Party Referral – 2020/002486	(j)
25 February 2020	Council	Third Party Referral – 2020/002094	(a) (e) (f) (g) and (j)
21 January 2020	Council	Sale of Land for Non-Payment of Council Rates	(a)
27 August 2019	Council	Sale of Land for Non-Payment of Council Rates	(a)

The following table identifies the grounds on which the Council considered the matters and determined to exclude the public from the discussion and the related documentation.

This differs from the total number of confidential orders as a number of confidential orders fell under more than one ground [subparagraph of section 90(3)(a)-(o)].

Section 90(3) subparagraph – grounds on which the matter was considered	Total
Section 90(3)(a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)	7
Section 90(3)(b) information the disclosure of which— (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and (ii) would, on balance, be contrary to the public interest	16
Section 90(3)(c) information the disclosure of which would reveal a trade secret	0
Section 90(3)(d)(i) and (ii) commercial information of a confidential nature (not being a trade secret) the disclosure of which— (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and (ii) would, on balance, be contrary to the public interest	1
Section 90(3)(e) matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person	0
Section 90(3)(f) information the disclosure of which could reasonably be expected to prejudice the maintenance of law, including by affecting (or potentially affecting) the prevention, detection or investigation of a criminal offence, or the right to a fair trial	0
Section 90(3)(g) matters that must be considered in confidence in order to ensure that the council does not breach any law, order or direction of a court or tribunal constituted by law, any duty of confidence, or other legal obligation or duty	0
Section 90(3)(h) legal advice	0
Section 90(3)(i) information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council	4

Section 90(3) subparagraph – grounds on which the matter was considered	Total
Section 90(3)(j) information the disclosure of which— (i) would divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the council, or a person engaged by the council); and (ii) would, on balance, be contrary to the public interest	0
Section 90(3)(k) tenders for the supply of goods, the provision of services or the carrying out of works	9
Section 90(3)(m) information relating to a proposal to prepare or amend a designated instrument under Part 5 Division 2 of the *Planning, Development and Infrastructure Act 2016* before the draft instrument or amendment is released for public consultation under that Act	0
Section 90(3)(n) information relevant to the review of a determination of a council under the *Freedom of Information Act 1991*	0
Section 90(3)(o) information relating to a proposed award recipient before the presentation of the award	1
Total instances of 90(3) subparagraph used	**38**

Internal review of Council decisions

The *Local Government Act 1999* provides for any individual to ask for a review of a decision made by Council, its employees or other persons acting on behalf of the Council.

During the 2023–2024 period, Council received 5 applications for an internal review of a decision, as summarised in the table below.

The Internal Review of Council Decisions Policy is available on our website.

Subject matter	Number of applications	Decision outcome
Decision regarding construction of a footpath on Sassafras Drive, Highbury	1	Decision overturned
Decision to not remove a Council tree at 33 Greensview Road, Banksia Park	1	Decision overturned
Decision to construct a footpath along O'Leary Place, Wynn Vale	1	Decision upheld
Decision regarding management of hackberries from Council tree at 11 Caroline Court, Golden Grove	1	Decision upheld
Decision to apply amenity value fees for removal of a Council tree in accordance with Council's Tree Management Policy	1	Decision upheld
Total number of applications	**5**	

Audit & Risk Committee activities report

Requirements of the Audit & Risk Committee

This report provides a summary of the Audit & Risk Committee's activities for the Financial Year 1 July 2023 – 30 June 2024. The Committee has undertaken the discharge of its duties in accordance with the following:

- *Local Government Act 1999*
- *Local Government (Financial Management) Regulations 2011*
- Audit & Risk Committee's Terms of Reference (TOR).

Audit & Risk Committee Summary of Activities

Activity	Received by Audit & Risk Committee
Financial management reporting (TOR 2.1, 2.2, 2.6)	
Annual financial statements	Audited Financial Statements 2022–2023 (September 2023)
Internal control assessment	Internal Control Assessment 2023–2024 (May 2024)
Financial budget and planning	• Draft Long-Term Financial Plan 2025–2034 (October 2023) • Community Engagement Outcomes on the Draft Long-Term Financial Plan 2025–2034 (December 2023) • First Quarter Budget Review 2023–2024 (December 2023) • Second Quarter Budget Review 2023–2024 (March 2024) • Third Quarter Budget Review 2023–2024 (June 2024)
Strategic management plans and business plans (TOR 2.2)	
Strategic management plans	• Asset Management Plans Review Progress (March 2024) • Draft Asset Management Plans 2025–2034 (June 2024)
Business plans	Draft Annual Business Plan 2024–2025 (May 2024)

External audit (TOR 2.5, 2.6, 2.11)	
External audit plan and reporting	• Annual External Audit Plan 2023 (July 2023) • External Auditors Interim Management Letter (June 2024)
Auditor appointment	Recommendation for the Award of Contract – Provision of External Audit Services (December 2023)
Council response to audit issues / matters raised by external auditors	N/A
Internal audit (TOR 2.3,2.7, 2.8)	
Internal audit plan	• Internal Audit Plan 2023–2024 (July 2023) • Internal Audit Plan status update (September 2023, December 2023, March 2024, June 2024)
Internal audit reports	• Precinct Planning (September 2023) • Strategic Asset Management (September 2023) • Recycled Water (October 2023) • Strategic Environmental Management (December 2023) • Corporate Performance Reporting (March 2024) • Cyber Security (Internal and External) Scan (March 2024) • Dog Management (June 2024)
Internal audit agreed actions status reporting	• Internal Audit Agreed Actions Update (September 2023, March 2024) • Internal Audit Agreed Actions Update – High and Extreme Risk Rated Actions (December 2023, June 2024)

Risk management (TOR 2.9, 2.10, 2.13)	
Strategic and organisational risk review	• Strategic Risk Management Report November 2023 (December 2023) • Strategic Risk Management Report May 2024 (June 2024)
Emerging key risks	Strategic emerging risks discussed quarterly (September 2023, December 2023, March 2024, June 2024)
Prudential reports	• Modbury Sporting Clubroom (July 2023) • Tilley Recreation Park Phase 1 (July 2023) • Tea Tree Gully Tennis Clubroom Redevelopment (October 2023) • Tea Tree Gully Gymsports Redevelopment (December 2023) • Tilley Recreation Park Phase 2 Redevelopment (March 2024)
Insurance reports	• Council Insurance Policy and Premiums Analysis 2023–2024 (September 2023) • 2023 Local Government Mutual Risk Scheme and Funds Highlight (December 2023)
Review policies relevant to the functions of the committee	• Risk Management Policy (September 2023) • Prudential Management Policy (June 2024)
Incident and emergency management	• Council Incident Management Arrangements – Higher Risk Weather Season (Pre-season update) (December 2023) • Fire Prevention 2023–2024 Update (March 2024)
Legislative reform	• Local Government Reform – Amendments to the *Local Government Act 1999* (March 2024)
Committee Governance (7.3)	
Resolutions status report	Status Report on Audit & Risk Committee Resolutions (September 2023, December 2023, March 2024, June 2024)
Review of Terms of Reference	Review of Terms of Reference for the Audit & Risk Committee (March 2024)
Committee self-assessment	Audit & Risk Committee Annual Self-Assessment 2023 (December 2023)

Library customers have benefitted from the installation of new shelving, which is more accessible and easy to move.

Our organisation

We're a high-performing, progressive and dynamic organisation committed to making a positive difference in people's lives through the provision of quality services and infrastructure.

Our people are our greatest asset and are critical to achieving our vision for our City and community. We provide a safe and secure working environment and seek to develop our people and build on our service-based culture. Diversity and inclusion are encouraged, as is open, transparent and accountable decision making.

Organisational structure

Our organisational structure enables us to deliver varied and responsive services to meet the diverse needs of our community.

Our organisation is structured into the following five portfolios, each led by an Executive Leadership Team member (Chief Executive Officer and four general managers):

- Office of the Chief Executive Officer
- Strategy and Finance
- City Operations
- Corporate Services
- Community Services

Teams within each department perform specific functions, collaborate on projects and share their particular knowledge and expertise across the organisation.

Staff profile

Executive remuneration

For financial year 2023–2024, our Executive Leadership Team (ELT) consists of the Chief Executive Officer (CEO) and 4 General Managers (GMs), one of whom is a Manager in an Acting arrangement.

- The CEO receives a fuel allowance.
- The GMs are entitled to salary sacrifice in respect of a motor vehicle.
- Provision of a mobile phone, laptop and notebook computer. The Employer will not require the GM to pay for reasonable private calls made within Australia using the Employer provided mobile phone.
- Professional Development – the Employer agrees to provide the GM with professional development opportunities to meet the Performance Criteria in their employment agreement.
- Some GMs receive an additional week of annual leave per annum.

Interstate and international travel

One employee attended the Australian Institute of Traffic Planning & Management (AITPM) National Transport Conference in Melbourne on 13 Sept 2023 at a total cost of $3,500 (incl travel, accommodation and conference fees) – 1 day.

One Manager attended the LG Professionals CX Conference NSW to present our CX Strategy in August 2023. Flights and conference paid for by LG Professionals. Hotel cost $270.

Gifts received

A summary of gifts received above the value of $50 follows.

Position	Date offered or received	Name of person/ organisation providing the gift or benefit	Description of gift or benefit	Reason for acceptance	Estimated value
Manager Customer and Communications	24 August 2023	Local Government Professionals	Flights to and from Sydney	Presenting at their Sydney conference.	$480
Club Liaison Officer	13 December 2023	Modbury Jet Amateurs	Hampers With Bite	Health & Rec Team provided support with flooding of pitch and relocating of games and training throughout their season.	$70
Environmental Sustainability Advisor	19 December 2023	Enerven	Hamper	As gift to note the completion of LED Rollout Stage 2. Gift was delivered to Council office without prior notice.	$120
Strategic Civil Project Lead	19 December 2023	Enerven	Hamper	As gift to note the completion of LED Rollout Stage 2. Gift was delivered to Council office without prior notice.	$120
Finance Team	21 December 2023	Credit Clear	Hamper	Thank you for support in 2023.	$100
Community Inclusion Officer	25 June 2024	Staff member	1 book and art supplies	Thank you for presentation of disability services. Items passed onto library collection and community centre art group.	$70

Community members enjoying
Civic Park Carols in December 2023.

Our reporting

Transparent and accountable governance underpins our business and demonstrates that we're operating in the best interests of our community.

Council has a number of legislative obligations for corporate reporting. Our ethical, transparent and accountable reporting framework ensures future sustainability, effective use of resources, and that we meet our legal obligations.

Policies, registers & codes

Policies

All City of Tea Tree Gully policies, including those required by legislation, are available on our website.

Registers

The *Local Government Act 1999* and the *Local Government (Elections) Act 1999* require Council to establish various registers.

The City of Tea Tree Gully has established the following registers in accordance with the provisions of the relevant legislation.

- Community Land Register
- Confidential and Released Documents for Council and Committee Meetings Register
- Delegations Register
- Elected Member Allowances and Benefits Register
- Elected Member Gifts Register
- Elected Member Information or Briefing Session Register
- Employee Gifts and Benefits Register
- Fees and Charges Register
- Register of Interests (Elected Members, Committee Members [where relevant], Staff [where relevant] and Council Assessment Panel members)
- Register of By-laws and Certified Copies. The City of Tea Tree Gully has the following by-laws:
  - Permits and penalties
  - Roads
  - Local government land
  - Dogs
  - Moveable signs
- Waste management
- Register of Remuneration, Salaries and Benefits
- Road Register
- Voters roll
- Elected Member Training & Development Register

Note: Council does not have a Register of Building Upgrade Agreements as it has no such agreements in place.

Codes

Codes of practice kept as required by the *Local Government Act 1999* include:

- Code of Practice – Access to Council and Committee Meetings and Documents
- Code of Practice for Meeting Procedures.
- Elected Member Behavioural Management Policy.

Other public documents

A number of other Council documents (including Council's Annual Business Plan and Annual Report) are made available for public inspection at the Civic Centre, in accordance with section 132 and Schedule 5 of the *Local Government Act 1999*.

Many of these documents are available on our website.

Freedom of information

The *Freedom of Information Act 1991* extends to every person the right to access information held by state and local government agencies.

To access information in accordance with the *Freedom of Information Act 1991*, a person must submit an application clearly specifying the nature of the information required.

The City of Tea Tree Gully received 41 applications during the 2023–2024 financial year.

Applications received	**2022–2023**	**2023–2024**
Total applications received	32	41
Applications brought forward from the previous year	3	0
Applications determined	28	36
Applications transferred in full	0	0
Applications withdrawn	0	5
Lodgement by MP (no payment required)	9	10
Lodged by concession (fees waived)	4	7
Personal applications	18	17
Non-personal applications	14	24
Determination outcomes		
Full release	9	7
Partial release	10	12
Refused release	4	6
Clauses and reasons for refusal referenced		
Reason for restricted/refusal – exempt agencies	0	0
Reason for restricted/refusal – record does not exist/documents not held	3	5
Reason for restricted/refusal – personal affairs (clause 6)	7	10
Reason for restricted/refusal – business affairs (clause 7)	4	1
Reason for restricted/refusal – incomplete (section 15)	0	0
Reason for restricted/refusal – unreasonable diversion of resources (section 18(1))	0	0
Reason for restricted/refusal – abuse of rights/purpose (section 18(2))	0	2
Reason for restricted/refusal – fees not paid/no payment received (clause 18(3))	2	1
Reason for restricted/refusal – exempt (section 20(1))	0	0
Reason for restricted/refusal – documents otherwise accessible (section 20(1)(b))	0	2

Applications received	2022–2023	2023–2024
Internal review		
Applications for internal review	2	2
Internal review determined	2	2
Internal review transferred in full	0	0
Internal review withdrawn	0	0
Internal review decision confirmed	2	2
Internal review decision reversed	0	0
Internal review decision varied	0	0
External review		
Applications for external review	1	1
External review withdrawn	0	0
External review decision confirmed	1	0
External review decision reversed	0	0
External review decision varied	0	0

Competitive tendering arrangements

In accordance with Australia's National Competition Policy (Clause 7) requirements, Council can report as follows:

1. While Council was engaged in many negotiations for the provision of goods and services to the public for the 2023–2024 financial year, some of which were of a business nature, it was concluded that none of these could be regarded as significant.
2. In relation to the complaints procedure, implemented in compliance with National Competition Policy, Council does not have any complaints pending. When complaints are received, they are dealt with according to Council's General Complaints Policy.

Procurement Policy

For tendering and general procurement practices, Council has a Procurement Policy in place, which has been developed and adopted in accordance with Part 4 of the *Local Government Act 1999*.

This policy is underpinned by the following key procurement principles:

- Value for money
- Open and fair competition
- Professional integrity and probity
- Client service provision
- Management of risk
- Accountability
- Simplicity
- Local industry sourcing.

Thirty-two tenders were competitively tendered in accordance with Council's Procurement Policy during 2023–2024. These included contracts for plant, services, consultants, maintenance, horticulture, construction and roadworks, with some works and services bundled into one competitive tender process.

All tenders are evaluated fairly, equitably and transparently, using Council's adopted tender selection system to assess the quality of the tenderer and their ability to meet specification and performance requirements.

Where appropriate, and given an equal outcome of the evaluation process, preference is given to local companies over those based elsewhere in SA. In addition to our comprehensive tendering process, our Council's policy provides guidance on any requests for quotation for works and services valued at less than $100,000. The works and services are typically quoted on a competitive basis, with assessment criteria aligned to our Procurement Policy.

Council accesses a number of sector-wide procurement arrangements, such as, the Local Government Association Procurement contracts. These sector-wide contracts are governed by those organisations' independent procurement policies.

During 2023–2024, Council did not terminate any business dealings bound by competitive neutrality provisions. Competitive neutrality provisions and full-cost attribution continue to be applied to all business reviews as part of Council's Continuous Improvement Program.

By-laws review

There are currently no existing or proposed by-laws restricting competition.

Community land & Council facilities

Council has 607 reserves under its care classified as community land, including sporting hubs and community buildings, open space, playgrounds and reserve furniture, creek lines and drainage reserves, screening reserves and plantations.

The *Local Government Act 1999* requires Council to prepare and adopt community land management plans.

These plans provide clarity and certainty to the community about the development and management of community land.

Changes to community land management plans during 2023–2024 are listed in the Register of Amendments on Council's website.

A comprehensive review of all community land management plans commenced in early 2021 and continued into 2023–2024.

Community land management plans are available on our website.

Community Land Register

Section 207 of the *Local Government Act 1999* requires Council to keep a register of all community land within its boundaries. This register is available on our website.

In 2023–2024, capital improvement works were carried out on a number of our properties. These are listed in our Annual Business Plan which is available on our website.

Facilities available for hire range from clubrooms and community halls to reserves and recreation centres. Most may be hired under a seasonal permit, casual hire application, or lease or licence arrangement.

Currently there are 45 endorsed leases or 19 licences to community groups and sporting clubs within the Council area.

Local nuisance & littering complaints

The table below shows the number of complaints received under the *Local Nuisance and Litter Control Act 2016* for the 2023–2024 financial year.

	Litter	Nuisance
Regulation 5(a)		
Complaints of local nuisance or littering received by Council	279	200
Regulation 5(b)		
(i) Offences under the Act that were expiated	14	2
(ii) Offences under the Act that were prosecuted	0	0
(iii) Nuisance abatement notices or litter abatement notices issued	7	61
(iv) Civil penalties negotiated under section 34 of the Act	0	0
(v) Applications by the Council to the Court for orders for civil penalties under section 34 of the Act	0	0
And the number of orders made by the Court for those applications	0	0

Event sponsorship

The 2023–2024 financial major events program was well received by the community with over 67,000 attendees supporting the major events and activations presented by the City of Tea Tree Gully.

Major events included the Muddy Hands Festival, Civic Park Carols, the Summer Garden Festival and Touch a Truck. In addition, the City of Tea Tree Gully organised and held four citizenship ceremonies and an Australia Day Awards ceremony.

Our event attraction program supports a variety of events that occur within the city. The recipients of this year's financial support were as follows:

- Golden Grove Science Fair
- Bay to Birdwood
- Civic Park Fiesta
- Freedom Wheels
- Gully Arts Show.

We thank our sponsors for 2023–2024:

- Solo Resource Recovery
- Westfield Tea Tree Plaza
- Nine Entertainment
- National Australia Day Council.

Golden Grove Football Club players exiting the players race at the new Harpers Field sporting clubroom in Golden Grove.

Our finances

We're committed to strong and sustainable financial management.

Achieving and maintaining financial sustainability is a key long-term objective. Financial sustainability enables the delivery of services and infrastructure to meet growing community needs. The financial statements included in this section provide information on the financial performance of Council.

Financial overview

Council manages approximately $1.9 billion in assets. These assets include land, community buildings, library resources, recreation facilities, equipment, roads, footpaths, bridges, traffic control devices and stormwater drains.

To maintain our City's valuable assets and ensure continuous delivery of our services, Council collects revenue from ratepayers and receives some funding grants from both the Australian Government and the State Government of South Australia.

In setting annual rates, Council is always mindful of the need to keep rates affordable for householders and businesses.

Council's annual budget is guided by the Financial Sustainability Policy and the Long-Term Financial Plan (LTFP) 2024–2033. Our LTFP is underpinned by five guiding principles. These are as follows:

- Maintain existing assets at existing service levels
- Continue to review assets, with proceeds of any sales reinvested into the community
- Maintain debt within the targeted range
- Retain tight constraints on operating expenditure
- Ensure the capital works program includes a level of funding for new or unexpected projects.

The following information summarises our performance over the last financial year regarding our Financial Sustainability Policy.

Operating surplus

According to our Financial Sustainability Policy, we should aim for our budget to be in surplus. Council recorded an operating surplus of $1.214 million before new capital revenues for the 2023–2024 financial year, compared to a surplus of $9.652 million in 2022–2023. Council has therefore met this financial goal.

Funding asset renewal and depreciation

A key measure of whether or not a council is renewing or replacing its assets at the same rate that its overall stock of assets is wearing out is the asset sustainability ratio (ASR). This is calculated by measuring expenditure on renewal or replacement of assets relative to the recorded rate of asset depreciation for the same period.

Council aims to have capital outlay on renewing or replacing assets (net of proceeds from the sale of replaced assets) as greater than 90% but less than 110% of depreciation over a rolling three-year period. The ASR for the 2023–2024 financial year was 95%, which was within the target range.

Debt limitation

Council's LTFP includes a goal to maintaining existing debt within the targeted range. The net financial liabilities ratio (NFLR) is the key measure to test whether Council is achieving this reduction.

Net financial liabilities (NFL) are defined as total liabilities less financial assets (excluding equity-accounted investments in Council businesses).

The NFL result of $15.607 million (which gives an NFLR of 15%) for the end of financial year is below the Council's LTFP target for NFLR of 25–35%.

Review of assets

Council has reviewed its assets actively and continuously, in line with planning objectives laid out in its Strategic Plan 2025, City Master Plan and infrastructure and asset management plans.

Council rate increases

In July 2012, Council adopted a differential rating system. This provides us with increased flexibility to moderate movements in valuations that occur periodically in the market and allows us to raise rates at different levels. It ensures that commercial and industrial sites continue to contribute appropriately to help fund Council services, regardless of property market fluctuations in those categories. Differential rates thus support economic development and capital growth. In the 2023–2024 financial year, Council set a rate that covered the cost of existing service provision, both legislated and discretionary, and also costs projected in the LTFP and the adopted asset management plans.

Further information on our rating system is included in our Annual Business Plan.

Financial statements

A copy of the City of Tea Tree Gully's audited financial statements is provided with this Annual Report and is also published on our website.

Auditor remuneration

The remuneration payable to Council's auditor for the annual audit of the financial statements was $40,000 (plus GST). No other remuneration was payable to the auditor for the 2023–2024 financial year.

Annual Business Plan 2023–2024 performance

Council adopted the Annual Business Plan 2023–2024 on 27 June 2023. This plan outlines goals for the financial year, including projections for services, programs and projects, our budget and changes to rates.

The table on page 53 summarises our financial performance in 2023–2024 compared with our original budget projections.

Credit cards

To streamline financial processes, Council utilises credit cards. A total of $4.8 million (ex GST) in payments were made via credit card in 2023–2024. There are detailed credit card procedures and extensive internal control processes in place around the reviewing and processing of credit card transactions.

Indicators	Formula	LGA suggested range	Council target	2023–2024	2022–2023	2021–2022
Operating surplus	Operating income less operating expenses	Break even or better over 5 years	Break even or better over 3 years	$1.214m	$9.652m	$8,985m
Adjusted operating surplus ratio	Operating surplus as a percentage of total operating revenue	0% – 15%	2.5% – 10%	4.7%	9.3%	8.8%
Net financial liabilities ratio including land held for sale	Total liabilities less financial assets divided by operating revenue	0% – 100%	25% – 35%	13%	9.0%	17.7%
Net financial liabilities including land held for sale	Total liabilities less financial assets divided by operating revenue	–	–	$14.13m	$9.3m	$17.5m
Net financial liabilities ratio excluding land held for sale	Total liabilities less financial assets	–	–	15%	9.0%	17.1%
Net financial liabilities excluding land held for sale	Total liabilities less financial assets	–	–	$15.6m	$9.8m	$18.1m
Asset sustainability ratio	Expenditure on renewal and replacement of assets less disposal proceeds from replaced assets/ depreciation expenses	90% – 110% over a rolling 3-year period	90% – 110% over a rolling 3-year period	95%	62%	104.2%
Fiscal balance	Net lending position or net borrowing requirement in the uniform presentation of finances table	–	–	($5.8m)	$8.4m	$4.3m

Financial statements

General purpose financial statements
for the year ended 30 June 2024.

City of Tea Tree Gully

General Purpose Financial Statements

for the year ended 30 June 2024

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City of Tea Tree Gully

General Purpose Financial Statements

for the year ended 30 June 2024

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 2024 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.

Ryan McMahon
Chief Executive Officer

Marijka Ryan
Mayor

City of Tea Tree Gully

Statement of Comprehensive Income

for the year ended 30 June 2024

$ '000	Notes	2024	2023
Income			
Rates	2a	92,024	85,581
Statutory charges	2b	2,818	1,971
User charges	2c	4,470	4,402
Grants, subsidies and contributions - capital	2g	256	203
Grants, subsidies and contributions - operating	2g	4,051	8,806
Investment income	2d	1,056	752
Reimbursements	2e	123	113
Other income	2f	2,557	2,234
Total income		107,355	104,062
Expenses			
Employee costs	3a	37,047	35,972
Materials, contracts and other expenses	3b	49,586	41,919
Depreciation, amortisation and impairment	3c	19,258	16,258
Finance costs	3d	250	261
Total expenses		106,141	94,410
Operating surplus / (deficit)		1,214	9,652
Asset disposal and fair value adjustments	4	310	(2,530)
Amounts received specifically for new or upgraded assets	2g	4,714	5,116
Net surplus / (deficit)		6,238	12,238
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - I,PP&E	9a	102,210	144,199
Total amounts which will not be reclassified subsequently to operating result		102,210	144,199
Total other comprehensive income		102,210	144,199
Total comprehensive income		108,448	156,437

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

City of Tea Tree Gully

Statement of Financial Position

as at 30 June 2024

$ '000	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	11,879	18,337
Trade and other receivables	5b	4,826	5,744
Inventories	5c	86	127
Subtotal		16,791	24,208
Non-current assets held for sale	19	1,476	512
Subtotal		1,476	512
Total current assets		18,267	24,720
Non-current assets			
Other non-current assets	6	25,676	13,682
Infrastructure, property, plant and equipment	7	1,896,652	1,795,349
Total non-current assets		1,922,328	1,809,031
TOTAL ASSETS		1,940,595	1,833,751
LIABILITIES			
Current liabilities			
Trade and other payables	8a	28,119	29,506
Provisions	8b	3,513	3,725
Total current liabilities		31,632	33,231
Non-current liabilities			
Provisions	8b	680	685
Total non-current liabilities		680	685
TOTAL LIABILITIES		32,312	33,916
Net assets		1,908,283	1,799,835
EQUITY			
Accumulated surplus		432,627	426,389
Asset revaluation reserves	9a	1,475,369	1,373,159
Other reserves	9b	287	287
Total council equity		1,908,283	1,799,835
Total equity		1,908,283	1,799,835

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 2024

$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2024					
Balance at the end of previous reporting period		426,389	1,373,159	287	1,799,835
Net surplus / (deficit) for year		6,238	–	–	6,238
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	102,210	–	102,210
Other comprehensive income		–	102,210	–	102,210
Total comprehensive income		6,238	102,210	–	108,448
Balance at the end of period		432,627	1,475,369	287	1,908,283
2023					
Balance at the end of previous reporting period		414,151	1,228,960	287	1,643,398
Net surplus / (deficit) for year		12,238	–	–	12,238
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	144,199	–	144,199
Other comprehensive income		–	144,199	–	144,199
Total comprehensive income		12,238	144,199	–	156,437
Balance at the end of period		426,389	1,373,159	287	1,799,835

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

City of Tea Tree Gully

Statement of Cash Flows

for the year ended 30 June 2024

$ '000	Notes	2024	2023
Cash flows from operating activities			
Receipts			
Rates receipts		91,228	85,699
Statutory charges		2,718	1,971
User charges		4,270	4,402
Grants, subsidies and contributions		3,851	8,806
Investment receipts		1,056	752
Reimbursements		123	113
Other receipts		2,842	4,428
Payments			
Payments to employees		(37,127)	(36,943)
Payments for materials, contracts and other expenses		(49,073)	(41,697)
Finance payments		(250)	(261)
Net cash provided by (or used in) operating activities	11b	19,638	27,270
Cash flows from investing activities			
Receipts			
Grants utilised for capital purposes		256	203
Amounts received specifically for new or upgraded assets		4,732	5,116
Sale of replaced assets		482	252
Sale of surplus assets		800	–
Payments			
Expenditure on renewal/replacement of assets		(16,495)	(16,180)
Expenditure on new/upgraded assets		(15,804)	(6,683)
Net cash provided (or used in) investing activities		(26,029)	(17,292)
Cash flows from financing activities			
Payments			
Repayment of bonds and deposits		(67)	(73)
Net cash provided by (or used in) financing activities		(67)	(73)
Net increase (decrease) in cash held		(6,458)	9,905
plus: cash & cash equivalents at beginning of period		18,337	8,432
Cash and cash equivalents held at end of period	11a	11,879	18,337

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

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Contents of the Notes accompanying the General Purpose Financial Statements

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Note 1. Summary of Material Accounting Policies

The principal accounting policies adopted by Council in the preparation of these 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* dated 24 September 2024.

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 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.

(2) The local government reporting entity

City of Tea Tree Gully is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 571 Montague Road, Modbury.

(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 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.

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

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

	Cash Payment Received	Annual Allocation	Difference
2020/21	$3,865,290	$3,847,133	- $18,157
2021/22	$5,068,633	$4,016,655	+ $1,051,968
2022/23	$5,441,189	$4,328,286	+ $1,112,903
2023/24	$745,691	$4,730,566	- $3,984,875

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

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

(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 13.

(5) Inventories

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

5.1 Real estate assets developments

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.

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

(6) Infrastructure, property, plant and 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

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

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.

Office Furniture & Equipment	$3,000
Fleet & Plant	$3,000
Buildings - new construction/extensions	$5,000
Information Technology	$3,000

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	3 to 10 years
Office Furniture	4 to 20 years
Plant and Equipment	3 to 8 years
Technology	3 to 15 years

Building & Other Structures

Footings	60 years
Envelope	45 to 60 years
Fitout - Flooring	15 to 35 years
Fitout - Internal	30 to 60 years
Roof	10 to 60 years
Mechanical Services	15 to 40 years
Fire Services	40 years
Hydraulics	50 to 60 years
Electrical	50 to 60 years

Infrastructure

Road – Formation	Indefinite
Road – Pavement	40 to 250 years
Road – Seal	15 to 60 years
Kerb and Gutter	80 to 200 years
Footpaths	15 to 200 years

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

Bridges	30 to 250 years
Traffic Control	40 to 150 years
Stormwater	50 to 200 years
Signage	5 to 7 years

Other Assets

Wetlands	100 to 200 years
Irrigation Systems	25 to 40 years
Public Lighting	33 to 60 years
Playing Courts	10 to 200 years
Playgrounds	20 to 65 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.

(7) Investment property

Investment property comprises land &/or buildings that are principally held for long-term rental yields, capital gains or both that is not occupied by Council.

The Council does not presently hold any properties that it considers investment properties

(8) Payables

8.1 Goods and 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.

8.2 Payments received in advance and 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.

(9) 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".

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

(10) Employee benefits

10.1 Salaries, wages and 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 4.262% (2023, 4.026%)

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.

10.2 Superannuation

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

(11) Provisions for reinstatement, restoration and 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.

(12) Leases

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

12.1 Council as a lessee

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

Short-term leases and leases of low-value assets

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

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

(13) 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.

(14) New accounting standards and UIG interpretations

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2024, 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 statements that could be applicable to Councils.

Effective for NFP annual reporting periods beginning on or after 1 January 2024

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2021-6 and AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants)

- AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements

- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback

- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.

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

- AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability

- AASB 2014-10 Sale or Contribution of Assets between and Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5 and AASB 2022-7)

Effective for NFP annual reporting periods beginning on or after 1 January 2026 for public sector

- AASB 17 Insurance Contracts (amended by AASB 2020-5, AASB 2022-1, AASB 2022-8 and AASB 2022-9 Insurance Contracts in the Public Sector)

(15) 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.

(16) 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 2024

Note 2. Income

$ '000	2024	2023
(a) Rates		
General rates		
General rates	91,929	85,445
Less: discretionary rebates, remissions and write-offs	(1,915)	(1,728)
Total general rates	90,014	83,717
Other rates (including service charges)		
Landscape levy	2,010	1,864
Total other rates (including service charges)	2,010	1,864
Total rates	92,024	85,581
(b) Statutory charges		
Development Act fees	930	849
Animal registration fees and fines	679	617
Parking fines / expiation fees	1,128	447
Other licences, fees and fines	81	58
Total statutory charges	2,818	1,971
(c) User charges		
Sundry	559	877
Admission Fees, Cemeteries and Rents	3,911	3,525
Total user charges	4,470	4,402
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	333	135
- Banks and other	723	617
Total investment income	1,056	752

continued on next page ...

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 2. Income (continued)

$ '000	2024	2023
(e) Reimbursements		
Other	123	113
Total reimbursements	123	113
(f) Other income		
Rebates received	1,687	1,305
Sundry	870	929
Total other income	2,557	2,234
(g) Grants, subsidies and contributions		
Capital grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets	4,714	5,116
Total amounts received for new or upgraded assets	4,714	5,116
Other grants, subsidies and contributions - capital		
Other grants, subsidies and contributions - capital	256	203
Total Other grants, subsidies and contributions - capital	256	203
Other grants, subsidies and contributions - operating		
Other grants, subsidies and contributions - operating		
Other grants, subsidies and contributions - operating	4,051	8,806
Total other grants, subsidies and contributions - operating	4,051	8,806

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

Total grants, subsidies and contributions	9,021	14,125
(i) Sources of grants		
Commonwealth Government	3,627	10,063
State Government	5,358	3,678
Other	36	384
Total	9,021	14,125

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 3. Expenses

$ '000	Notes	2024	2023
(a) Employee costs			
Salaries and wages		29,266	28,935
Employee leave expense		3,615	3,455
Superannuation - defined contribution plan contributions	18	2,996	2,544
Superannuation - defined benefit plan contributions	18	498	609
Workers' compensation insurance		1,477	1,369
Less: capitalised and distributed costs		(805)	(940)
Total operating employee costs		37,047	35,972
Total number of employees (full time equivalent at end of reporting period)		343	331
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		40	31
Bad and doubtful debts		755	13
Elected members' expenses		399	376
Election expenses		36	548
Subtotal - prescribed expenses		1,230	968
(ii) Other materials, contracts and expenses			
Contractors		20,929	14,316
Energy		2,823	3,318
Legal expenses		356	351
Levies paid to Government - NRM levy		1,996	1,836
Levies - other		124	141
Parts, accessories and consumables		6,424	6,254
Sundry		665	477
Contractors - Waste		5,703	5,286
Contractors - Consultants Fees		1,255	1,515
Advertising		121	142
Fringe Benefits		30	61
Insurance		1,542	1,596
Licence Fees		1,949	1,607
Water Rates		1,597	975
Levies - Solid Waste Levy		2,842	3,076
Subtotal - Other material, contracts and expenses		48,356	40,951
Total materials, contracts and other expenses		49,586	41,919

continued on next page ...

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 3. Expenses (continued)

$ '000	2024	2023
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Buildings and other structures	2,994	2,215
Infrastructure		
- Stormwater drainage	2,404	1,937
- Roads	6,174	4,896
- Footpaths	1,618	1,244
- Bridges	95	69
- Traffic Control Devices	418	352
- Lighting	508	263
Plant and equipment	1,712	1,897
Furniture and fittings	84	61
Technology	1,271	1,379
Playground Equipment	316	302
Irrigation Systems	473	455
Fencing and Other Landscaping	404	392
Sporting Courts, Facilities	431	427
Playing Field Formation	178	195
Carpark Facilities	178	174
Subtotal	19,258	16,258
Total depreciation, amortisation and impairment	19,258	16,258

(d) Finance costs

Bank Fees & Other Finance Charges	250	261
Total finance costs	250	261

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 4. Asset disposal and fair value adjustments

$ '000	2024	2023
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	482	252
Less: carrying amount of assets sold	(231)	(142)
Gain (loss) on disposal	251	110
(ii) Assets surplus to requirements		
Proceeds from disposal	800	–
Less: carrying amount of assets sold	(750)	(2,238)
Gain (loss) on disposal	50	(2,238)
Fair value adjustments		
Revaluation decrements expensed	9	(402)
Total fair value adjustments	9	(402)
Net gain (loss) on disposal or revaluation of assets	310	(2,530)

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 5. Current assets

$ '000	2024	2023
(a) Cash and cash equivalent assets		
Cash on hand and at bank	11,879	18,337
Total cash and cash equivalent assets	11,879	18,337
(b) Trade and other receivables		
Rates - general and other	2,312	2,016
Accrued revenues	129	133
Debtors - general	1,260	1,636
GST recoupment	862	1,356
Prepayments	296	717
Subtotal	4,859	5,858
Less: provision for expected credit losses	(33)	(114)
Total trade and other receivables	4,826	5,744
(c) Inventories		
Stores and materials	86	127
Total inventories	86	127

Note 6. Non-current assets

$ '000	2024	2023
Other non-current assets		
Capital work in progress	25,676	13,682
Total other non-current assets	25,676	13,682

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 7. Infrastructure, Property, Plant & Equipment

Infrastructure, property, plant and equipment

		as at 30/06/23				Asset movements during the reporting period								as at 30/06/24			
$ '000	Fair Value Level	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	WIP Transfers	Tfrs from/(to) Assets Held for Sale (Note 19)	Revaluation Decrements to P&L (Note 4)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land - community	3	792,868	–	–	792,868	49	232	–	–	639	(964)	–	47,706	840,530	–	–	840,530
Land - other	2	40,332	–	–	40,332	–	–	–	–	–	–	–	2,326	42,658	–	–	42,658
Buildings and other structures	3	99,103	–	(57,673)	41,430	1,028	1,317	–	(2,270)	958	–	–	3,441	105,846	–	(59,943)	45,903
Buildings and other structures	2	27,938	–	–	27,938	–	–	–	(724)	–	–	–	980	28,918	–	(724)	28,194
Infrastructure																	
- Stormwater drainage	3	262,697	–	(47,199)	215,498	252	330	–	(2,404)	196	–	–	5,804	269,278	–	(49,603)	219,675
- Roads	3	648,660	–	(192,196)	456,464	83	4,216	–	(6,174)	629	–	–	14,330	667,903	–	(198,370)	469,533
- Footpaths	3	141,263	–	(26,095)	115,168	1,837	359	–	(1,618)	310	–	–	3,121	146,890	–	(27,713)	119,177
- Bridges	3	9,536	–	(2,465)	7,071	–	–	–	(95)	–	–	–	210	9,746	–	(2,560)	7,186
- Traffic Control Devices	3	34,085	–	(8,437)	25,648	159	393	–	(418)	40	–	–	753	35,430	–	(8,855)	26,575
- Community Wastewater Management	3	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
- Lighting	3	13,574	–	(3,680)	9,894	69	–	–	(508)	873	–	–	300	14,816	–	(4,188)	10,628
Plant and equipment		–	20,285	(14,833)	5,452	19	2,383	(267)	(1,712)	207	–	–	–	–	19,871	(13,789)	6,082
Furniture and fittings		–	1,240	(543)	697	116	27	–	(84)	–	–	–	–	–	1,383	(627)	756
Technology		–	9,761	(6,260)	3,501	30	181	–	(1,271)	239	–	–	–	–	10,211	(7,531)	2,680
Playground Equipment	3	8,457	1,663	(2,994)	7,126	236	6	(9)	(316)	228	–	–	1,332	12,156	–	(3,553)	8,603
Irrigation Systems	3	12,618	3,727	(5,039)	11,306	25	120	(211)	(473)	490	–	–	882	19,982	–	(7,843)	12,139
Fencing and Other Landscaping	3	1,428	7,901	(3,023)	6,306	100	195	(466)	(404)	596	–	–	11,816	32,912	–	(14,769)	18,143
Sporting Courts, Facilities	3	15,781	2,594	(5,554)	12,821	2	52	(25)	(431)	649	–	–	2,057	22,533	–	(7,408)	15,125
Playing Field Formation	3	4,993	3,563	(2,484)	6,072	–	–	(3)	(178)	18	–	–	516	9,387	–	(2,961)	6,426
Carpark Facilities	3	10,367	1,972	(2,582)	9,757	72	–	–	(178)	352	–	–	6,636	21,685	–	(5,046)	16,639
Total infrastructure, property, plant and equipment		2,123,700	52,706	(381,057)	1,795,349	4,077	9,811	(981)	(19,258)	6,424	(964)	–	102,210	2,280,670	31,465	(415,483)	1,896,652
Comparatives		1,746,931	120,714	(215,234)	1,652,411	6,804	4,727	(2,380)	(16,258)	6,243	–	(407)	144,199	2,123,700	52,706	(381,057)	1,795,349

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

Valuation of infrastructure, property, plant & equipment and investment property

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 7(a) for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on valuations

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 buildings, infrastructure and other assets. 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. Accordingly, formal sensitivity analysis does not provide useful information.

Transfers between fair value hierarchy levels

In the course of revaluing (name the asset classes), the nature of the inputs applied was reviewed in detail for each asset and where necessary, the asset reassigned to the appropriate fair value hierarchy level. Such transfers take effect as at the date of the revaluation.

Other information

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.

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

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.

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.

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.
Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c) are reviewed annually (see Note 1).

During the year, a desktop valuation has been completed based on market evidence of valuations provided by the Valuer General in 2023-24 as at 30 June 2024.

Buildings & Other Structures

Buildings and other structures are generally recognised at fair value, based on current market values. However, special purpose buildings (such as public toilets) for which there is no market are valued at depreciated current replacement cost. Buildings that Council does not intend to replace at the end of their useful life are valued at the market value of the "highest and best" use. Buildings and Other Structures assets were valued as at 30 June 2023 to reflect their service potential. Building and Other Structures assets were indexed as at 30 June 2024 using the Australian Bureau of Statistics data.

Infrastructure

Infrastructure assets were valued by APV Valuers and Asset Management as at 30 June 2023 to reflect their service potential. Infrastructure assets were indexed as at 30 June 2024 using the Australian Bureau of Statistics data.

Stormwater Drainage
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie St, Adelaide SA 5000

Roads
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Footpaths
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Bridges
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Traffic Control Devices
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Lighting
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

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

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

Playground Equipment

Playground equipment was revalued by APV Valuers and Asset Management in 2024 to reflect service potential. Condition based assessment was undertaken as part of the valuation on 30 June 2024.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2024
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Irrigation Systems

Irrigation assets were revalued by APV Valuers and Asset Management in 2024 to reflect service potential.
Condition based assessment was undertaken as part of the valuation on 30 June 2024.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2024
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Fencing and Other Landscaping

Fencing assets were revalued by APV Valuers and Asset Management in 2024 to reflect service potential.
Condition based assessment was undertaken as part of the valuation on 30 June 2024.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2024
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Sporting Courts and Facilities

Sporting Courts and Facilities were valued by APV Valuers to reflect their service potential as at 30 June 2024. Full condition based assessment was undertaken as part of the revaluation on 30 June 2024.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2024
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Playing Field Formation

Playing Field Formation were valued by APV Valuers and Asset Management in 2024 to reflect service potential.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2024
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 8. Liabilities

$ '000	2024 Current	2024 Non Current	2023 Current	2023 Non Current
(a) Trade and other payables				
Goods and services	96	–	815	–
Payments received in advance	18,906	–	20,414	–
Accrued expenses - employee entitlements	2,940	–	2,803	–
Accrued expenses - other	5,982	–	5,217	–
Deposits, retentions and bonds	103	–	170	–
Other	92	–	87	–
Total trade and other payables	28,119	–	29,506	–
(b) Provisions				
Employee entitlements (including oncosts)	3,513	680	3,725	685
Total provisions	3,513	680	3,725	685

City of Tea Tree Gully

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 9. Reserves

$ '000	as at 30/06/23 Opening Balance	Increments (Decrements)	Transfers	Impairments	as at 30/06/24 Closing Balance
(a) Asset revaluation reserve					
Land - community	691,902	47,706	–	–	739,608
Land - other	15,744	2,326	–	–	18,070
Buildings and other structures	–	4,421	–	–	4,421
Infrastructure					
- Stormwater drainage	161,615	5,804	–	–	167,419
- Roads	360,682	14,330	–	–	375,012
- Footpaths	88,022	3,121	–	–	91,143
- Bridges	5,068	210	–	–	5,278
- Traffic Control Devices	18,410	753	–	–	19,163
- Lighting	1,735	300	–	–	2,035
Plant and equipment	75	–	–	–	75
Playground Equipment	1,358	1,332	–	–	2,690
Irrigation Systems	1,549	882	–	–	2,431
Fencing and Other Landscaping	494	11,816	–	–	12,310
Sporting Courts, Facilities	2,008	2,057	–	–	4,065
Playing Field Formation	–	516	–	–	516
Carpark Facilities	1,961	6,636	–	–	8,597
Other assets	22,536	–	–	–	22,536
Total other assets	22,536	–	–	–	22,536
Total asset revaluation reserve	1,373,159	102,210	–	–	1,475,369

$ '000	as at 30/06/23 Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	as at 30/06/24 Closing Balance
(b) Other reserves					
Developer Contribution Reserve	186	–	–	–	186
Pathways North East Reserve	101	–	–	–	101
Total other reserves	287	–	–	–	287

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).

Developer Contribution Reserve
The Developer Contribution Reserve is a reserve where contributions are made to fund infrastructure projects in particular areas.

Pathways North East Reserve
The Pathways North East Reserve is a reserve to fund youth projects.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 10. Assets subject to restrictions

Council does not hold any assets subject to restrictions.

Note 11. Reconciliation to Statement of Cash Flows

$ '000	Notes	2024	2023
(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 and equivalent assets	5	11,879	18,337
Balances per Statement of Cash Flows		11,879	18,337
(b) Reconciliation of change in net assets to cash from operating activities			
Net surplus/(deficit)		6,238	12,238
Non-cash items in income statements			
Depreciation, amortisation and impairment		19,258	16,258
Fair value adjustments		(9)	402
Grants for capital acquisitions treated as investing activity		(4,970)	(5,319)
Net (gain)/loss on disposals		(301)	2,128
		20,216	25,707
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		999	(1,056)
Change in allowances for under-recovery of receivables		(81)	(2)
Net (increase)/decrease in inventories		41	(84)
Net (increase)/decrease in other assets		–	4
Net increase/(decrease) in trade and other payables		(1,320)	3,253
Net increase/(decrease) in unpaid employee benefits		(217)	(552)
Net cash provided by (or used in) operations		19,638	27,270

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Note 11. Reconciliation to Statement of Cash Flows (continued)

(c) Financing arrangements

Unrestricted access was available at balance date to the following lines of credit:		
Bank overdrafts	300	300
Corporate credit cards	900	900
LGFA cash advance debenture facility	42,000	42,000

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

Council has access to cash facilities of $42 million and minimises interest expense by transferring funds between cash at bank and the debenture facility.

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities.
Details of these Functions/Activities are provided in Note 12(b).

$ '000	OPERATING INCOME 2024	OPERATING INCOME 2023	OPERATING EXPENSES 2024	OPERATING EXPENSES 2023	OPERATING SURPLUS (DEFICIT) 2024	OPERATING SURPLUS (DEFICIT) 2023	GRANTS INCLUDED IN OPERATING INCOME 2024	GRANTS INCLUDED IN OPERATING INCOME 2023	TOTAL ASSETS HELD (CURRENT AND NON-CURRENT) 2024	TOTAL ASSETS HELD (CURRENT AND NON-CURRENT) 2023
Functions/Activities										
Office of the CEO	–	2	3,731	2,731	(3,731)	(2,729)	–	–	–	–
City Operations	1,379	1,636	29,863	27,230	(28,484)	(25,594)	800	1,151	1,888,429	1,784,456
Community Services	9,877	8,062	15,981	15,128	(6,104)	(7,066)	2,493	2,198	1,975	1,866
Corporate Finance	71	126	12,053	11,828	(11,982)	(11,702)	–	–	36,907	34,876
Strategy & Finance	96,028	94,236	44,513	37,493	51,515	56,743	758	5,457	13,284	12,553
Total Functions/Activities	107,355	104,062	106,141	94,410	1,214	9,652	4,051	8,806	1,940,595	1,833,751

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.

Note 12(b). Components of functions

The activities relating to Council functions are as follows:

OFFICE OF THE CEO
Office of the Chief Executive Officer, Corporate Governance.

CITY OPERATIONS
Technical & Engineering Services, Field Services, Operations Support Services, Project & Contract Delivery.

COMMUNITY SERVICES
City Development, Health and Recreation Services, Community Safety, Community Connections.

CORPORATE SERVICES
Customer and Communications, Procurement, People & Capability, Information Technology Solutions.

STRATEGY & FINANCE
City Strategy, Finance & Rating Services, Project Management Office.

Note 13. 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 rates between 4.30% and 4.55% (2023: 3.08% and 4.05%).

Carrying Amount:
Approximates fair value due to the short term to maturity.

Receivables - rates and 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 5.05% (2023: 5.05%). 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 and 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 and 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.

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Note 13. Financial instruments (continued)

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 and 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 and 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 (describe basis); interest is charged at variable rates between 1.3% and 6.05% (2023: 1.3% and 5.55%).

Carrying Amount:
Approximates fair value.

Liabilities - leases

Accounting Policy:
Accounted for in accordance with AASB 16 as stated in Note 17.

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 13. Financial instruments (continued)

$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2024					
Financial assets					
Cash and cash equivalents	11,879	–	–	11,879	11,879
Receivables	4,595	–	–	4,595	4,530
Total financial assets	16,474	–	–	16,474	16,409
Financial liabilities					
Payables	9,213	–	–	9,213	9,213
Total financial liabilities	9,213	–	–	9,213	9,213
Total financial assets and liabilities	25,687	–	–	25,687	25,622
2023					
Financial assets					
Cash and cash equivalents	18,337	–	–	18,337	18,337
Receivables	4,909	–	–	4,909	5,027
Total financial assets	23,246	–	–	23,246	23,364
Financial liabilities					
Payables	9,092	–	–	9,092	9,092
Total financial liabilities	9,092	–	–	9,092	9,092
Total financial assets and liabilities	32,338	–	–	32,338	32,456

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.

continued on next page ...

Note 13. Financial instruments (continued)

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. Impairment analysis is performed each reporting date. ECLs are based on credit history adjusted for forward looking estimates and economic conditions.

Note 14. Capital Expenditure Commitments

$ '000	2024	2023
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	8,637	11,844
City Beautification	1,791	253
Sporting courts/pitch renewal/Open Space	2,956	311
Other projects	1,334	867
	14,718	13,275
These expenditures are payable:		
Not later than one year	14,718	13,275
	14,718	13,275

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 15. Financial indicators

	Indicator 2024	Indicators 2023	2022	2021
Financial Indicators overview *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.*				
1. Operating Surplus Ratio Operating surplus / Total operating income	**1.1%**	9.3%	8.8%	8.4%
This ratio expresses the operating surplus as a percentage of total operating revenue.				
2. Net Financial Liabilities Ratio Net financial liabilities / Total operating income	**15%**	9%	18%	25%
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.				
Adjustments to Ratios *In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.*				
Adjusted Operating Surplus Ratio Operating surplus / Total operating income	**4.7%**	8.3%	8.8%	8.4%
Adjusted Net Financial Liabilities Ratio Net financial liabilities / Total operating income	**18%**	10%	18%	25%
3. Asset Renewal Funding Ratio Asset renewals / Infrastructure and Asset Management Plan required expenditure	**95%**	62%	104%	104%
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.				

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City of Tea Tree Gully

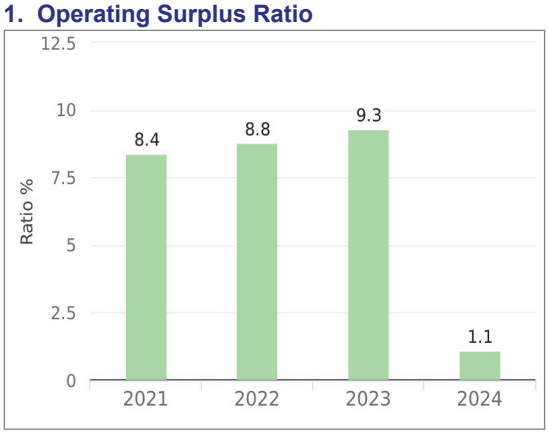
Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 15. Financial indicators (continued)

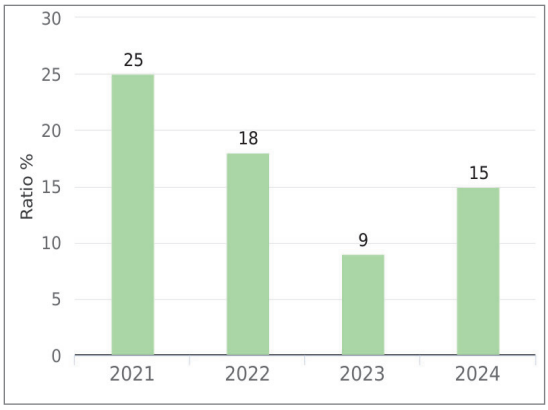
Financial indicators - graphs

1. Operating Surplus Ratio



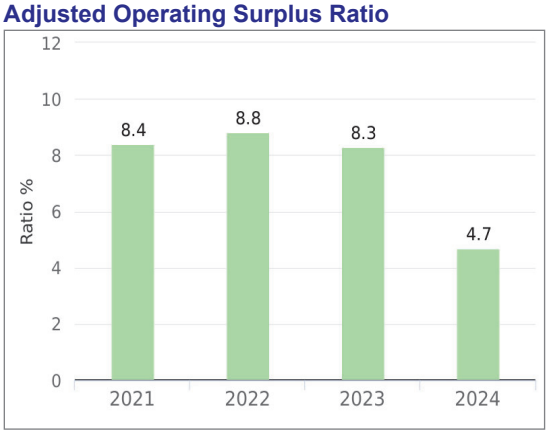
Purpose of operating surplus ratio	Commentary on 2023/24 result
	2023/24 ratio 1.1%
This indicator is to determine the percentage the operating revenue varies from operating expenditure	Operating Surplus Ratio is the operating surplus (deficit) before capital. The Operating Surplus Ratio for 2023/24 is 1.1% which is under the Council's target of 2.5% to 10%.

2. Net Financial Liabilities Ratio



Purpose of net financial liabilities ratio	Commentary on 2023/24 result
	2023/24 ratio 15%
This indicator shows the significance of the net amount owed to others, compared to operating revenue	The Net Financial Liabilities Ratio for 2023/24 is 15% which is under the Council's target of 25% - 35%.

Adjusted Operating Surplus Ratio



Purpose of adjusted operating surplus ratio	Commentary on 2023/24 result
	2023/24 ratio 4.7%
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure	The Adjusted Operating Surplus Ratio is the operating surplus (deficit) before capital adjusted for timing differences from the Financial Assistance Grants and Supplementary Road Funding payments. The Adjusted Operating Surplus Ratio for 2023/24 is 4.7% which is within Council's target of 2.5% - 10%.

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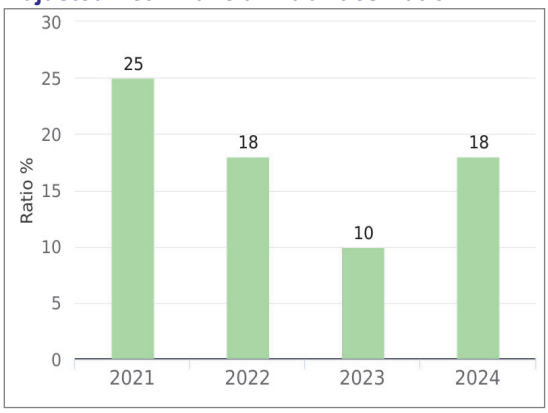
City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

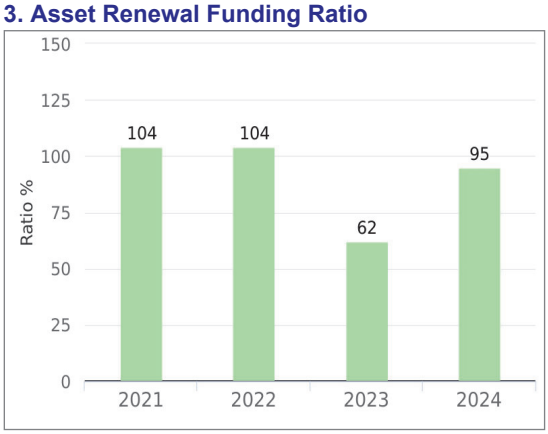
Note 15. Financial indicators (continued)

Adjusted Net Financial Liabilities Ratio



Purpose of adjusted net financial liabilities ratio	Commentary on 2023/24 result
	2023/24 ratio 18%
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure	The Adjusted Net Financial Liabilities Ratio for 2023/24 is 18% which is under Council's target of 25% - 35%.

3. Asset Renewal Funding Ratio



Purpose of asset renewal funding ratio	Commentary on 2023/24 result
	2023/24 ratio 95%
This indicator aims to determine if assets are being renewed and replaced in an optimal way	The Asset Renewal Funding Ratio for 2023/24 is 95% which is within the target ratio of 90% - 110% over a three year rolling period.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 16. Uniform presentation of finances

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

$ '000	2024	2023
Income		
Rates	92,024	85,581
Statutory charges	2,818	1,971
User charges	4,470	4,402
Grants, subsidies and contributions - capital	256	203
Grants, subsidies and contributions - operating	4,051	8,806
Investment income	1,056	752
Reimbursements	123	113
Other income	2,557	2,234
Total Income	107,355	104,062
Expenses		
Employee costs	37,047	35,972
Materials, contracts and other expenses	49,586	41,919
Depreciation, amortisation and impairment	19,258	16,258
Finance costs	250	261
Total Expenses	106,141	94,410
Operating surplus / (deficit)	1,214	9,652
Less: grants, subsidies and contributions - capital	(256)	(203)
Adjusted Operating surplus / (deficit)	958	9,449
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(16,495)	(16,180)
Add back depreciation, amortisation and impairment	19,258	16,258
Add back proceeds from sale of replaced assets	482	252
	3,245	330
Net outlays on new and upgraded assets		
Capital Expenditure on New and Upgraded Assets	(15,804)	(6,683)
Add back grants, subsidies and contributions - capital	256	203
Add back amounts received specifically for new and upgraded assets	4,732	5,116
Add back proceeds from sale of surplus assets (including investment property, real estate developments and non-current assets held for resale)	800	–
	(10,016)	(1,364)
Annual net impact to financing activities (surplus/(deficit))	(5,813)	8,415

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 17. Leases

(i) Council as a lessee

Council does not have any Leases.

(ii) Council as a lessor

Leases Providing Revenue to the Council

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

Investment property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

$ '000	2024	2023
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	233	230
Later than one year and not later than 5 years	569	697
Later than 5 years	609	651
	1,411	1,578

Note 18. Superannuation

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

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (11.00% in 2023/24; 10.50% in 2022/23). 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. The Salarylink (Defined Benefit Fund) is not available to new members. 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 2022/23) 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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 19. Non-current assets held for sale and discontinued operations

$ '000	2024	2023
Carrying Amounts of Assets and Liabilities		
Assets		
Land	1,476	512
Total assets	1,476	512
Net assets	1,476	512

Council has resolved to dispose parcels of land and portions of parcels of land.

As the consideration expected to be received exceeds the carrying amount, these assets has been recognised at the carrying amount.

Note 20. Contingencies and 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.

At reporting date, Council controlled **602** km of road reserves of average width **15** metres.

2. Potential insurance losses

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

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to 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 $222,453 (2023: $243,705) at reporting date.

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

4. Legal expenses

Council is the planning consent authority for its area under the Planning, Development and Infrastructure Act 2016 (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 three appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

5. Contingent liabilities

A contingent liability is a potential liability that may occur in the future, such as pending lawsuits or honoring product warranties.

In a lawsuit alleging unpaid consulting fees, Trans Tasman Energy Group Pty Ltd (TTEG) has filed a claim for $7.3 million plus costs and interest against the State of South Australia and 61 Respondent Councils in the Supreme Court of South Australia. The Local Government Association of SA is acting as the Councils' agent and is coordinating a joint defence of the proceedings on behalf of the 61 Respondent Councils. Approximately $440,852.58 is Council's proportionate share of the damages that TTEG is claiming, plus expenses and interest. Council's legal counsel was unable to predict a likely monetary settlement at the time of writing.

6. Other events

Council has a comprehensive Safety First Strategy in place to ensure compliance with the Work, Health and Safety Legislation and the WorkCover Performance Standards for Self-Insured Employers. Our Council is also a member of the Local Government Workers Compensation Scheme.

Note 21. Events after the balance sheet date

Events that occur after the reporting date of 30 June 2024, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Council is not aware of any "non-adjusting events" that merit disclosure.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 22. 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, 34 persons were paid the following total compensation:

$ '000	2024	2023
The compensation paid to key management personnel comprises:		
Executive Staff (5)	1,308	1,044
Non-Executive Staff (16)	2,330	3,267
Elected Members (13)	399	378
Total	4,037	4,689

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:

After-Tax Contributions for Fringe Benefits Tax purposes	–	7
Total	–	7

Council's Executive and Management staff have access to enter into a salary sacrificed arrangement for the private use of a motor vehicle. Any Fringe Benefits tax liability that arises for such use is calculated and deducted from their salary to fully offset the Fringe Benefits Tax payable.

Council contains some key management personnel that have relationships with parties that Council may transact with on a regular basis. Relationships include: Adelaide University Sport and Fitness Association Inc., ALGWA SA Branch, Animal Welfare League, Ardtornish Primary School, Australian Labor Party SA, Australian Services Union, Banksia Park International School, Beautique Catering, Community Centres SA, Elizabeth and Districts Junior Soccer Association, Every Life Matters Salisbury Suicide Prevention Network, Golden Grove High School Governing Council, Golden Grove Homestead Childcare Centre, Golden Grove Recreation and Arts Advisory Group, Highbury Primary School, Justice of Peace for State of SA, Kidsafe SA, LCS Landscapes, Lobethal Netball Club, Local Government IT SA, Modbury High School, Neighbourhood Watch (Various Branches), Northern Healthcare Volunteer Association, Progressive Left Unions and Sub-Branches, Public Libraries SA, Rotary Club of Salisbury, Rotary "Say No To Domestic Violence" Committee, Royal Association of Justices, Sferas Parks Suites and Convention Centre, St John Ambulance, Tea Tree Gully Community Services Forum, Wynn Vale Community Kindergarten, Wynn Vale Primary School.

The nature of these organisation's activities with Council typically include the provision of services to Council, and lease property from Council; they may also be the recipient of grants from Council. Transactions with these organisations are immaterial in amount and nature, with the exception of:

Sfera's Parks Suites and Convention Centre: $15,973 (Funds Paid)
Sfera's Parks Suites and Convention Centre: $14,461 (Funds Received)

The amounts above appear in whole dollars ($).

Key management personnel and their close family members may either have an employment relationship or committee role with these organisations and/or access their services. All matters when addressed by Council staff are covered by Council's conflict-of-interest procedures.

Bentleys
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CITY OF TEA TREE GULLY

Opinion

We have audited the accompanying financial report of the City of Tea Tree Gully, which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the City of Tea Tree Gully as of 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *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 other ethical responsibilities in accordance with the Code.

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

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

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

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

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

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Advisors
Accountants
Auditors

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP

DAVID PAPA
PARTNER

Dated at Adelaide this 26th day of September 2024

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INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF THE CITY OF TEA TREE GULLY

Opinion

We have audited the compliance of the City of Tea Tree Gully (the Council) with the requirements of *Section 125 of the Local Government Act 1999* in relation 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 2023 to 30 June 2024 are in accordance with legislative provisions.

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 legislative provisions for the period 1 July 2023 to 30 June 2024.

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 Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

Limitations of Controls

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

An assurance engagement on internal 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

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

Member of Allinial GLOBAL
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A member of Bentleys, a network of independent advisory and accounting firms located throughout Australia, New Zealand and China that trade as Bentleys. All members of the Bentleys Network are affiliated only, are separate legal entities and not in partnership. Liability limited by a scheme approved under Professional Standards Legislation. A member of Allinial Global – an association of independent accounting and consulting firms.

Advisors
Accountants
Auditors

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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 are in accordance with legislative provisions.

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 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2023 to 30 June 2024. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of internal 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 internal controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of controls on a sample basis on the assessed risks.

BENTLEYS SA AUDIT PARTNERSHIP

DAVID PAPA
PARTNER

Dated at Adelaide this 26th day of September 2024

City of Tea Tree Gully

General Purpose Financial Statements

for the year ended 30 June 2024

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Tea Tree Gully for the year ended 30 June 2024, the Council's Auditor, Bentleys SA 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.*

Ryan McMahon
Chief Executive Officer

Irena Zagladov
Presiding Member Audit & Risk Committee

Date: 24 September 2024

Bentleys
THINKING AHEAD

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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of the City of Tea Tree Gully for the year ended 30 June 2024, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants (including Independence Standards), Part 4A published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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

Bentleys SA Audit Partnership

David Papa
Partner

Dated at Adelaide this 6th day of September 2024

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An association of legally independent firms

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Advisors
Accountants
Auditors

CITY OF
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