

Corporation of the City of Campbelltown

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2024

A safe, sustainable, vibrant Community



Corporation of the City of Campbelltown

General Purpose Financial Statements

for the year ended 30 June 2024

Contents	Page
Council certificate	3
Principal Financial Statements	
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to and forming part of the Financial Statements	8
Independent Auditor's Report – Financial Statements	48
Independent Auditor's Report – Internal Controls	50
Certificates of Audit Independence	
Council Certificate of Audit Independence	52
Audit Certificate of Audit Independence	53

Corporation of the City of Campbelltown

General Purpose Financial Statements

for the year ended 30 June 2024

Council certificate

Certification of Financial Statements

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

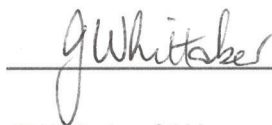
In our opinion:

- 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.



Paul Di Iulio
Chief Executive Officer

Date: 5 November 2024



Jill Whittaker OAM
Mayor

Corporation of the City of Campbelltown

Statement of Comprehensive Income

for the year ended 30 June 2024

\$	Notes	2024	2023
Income			
Rates	2a	47,908,258	43,859,639
Statutory charges	2b	1,438,283	1,299,249
User charges	2c	7,173,119	6,628,587
Grants, subsidies and contributions - capital	2g	1,042,093	672,824
Grants, subsidies and contributions - operating	2g	3,106,589	4,667,636
Investment income	2d	2,100,361	1,374,106
Reimbursements	2e	635,171	722,438
Other income	2f	833,764	862,372
Net gain - equity accounted council businesses	19(a)	31,419	43,969
Total income		64,269,057	60,130,820
Expenses			
Employee costs	3a	17,098,903	15,680,505
Materials, contracts and other expenses	3b	28,483,909	27,241,346
Depreciation, amortisation and impairment	3c	17,981,321	17,290,429
Finance costs	3d	92	1,115
Net loss - equity accounted council businesses	19(a)	46,250	—
Total expenses		63,610,475	60,213,395
Operating surplus / (deficit)		658,582	(82,575)
Physical resources received free of charge	2h	671,470	2,624,708
Asset disposal and fair value adjustments	4	(1,981,923)	(2,971,721)
Amounts received specifically for new or upgraded assets	2g	1,074,766	2,238,834
Net surplus / (deficit)		422,895	1,809,246
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - I,PP&E	9a	11,698,026	175,113,079
Share of other comprehensive income - equity accounted council businesses	19	8,821	28,357
Total amounts which will not be reclassified subsequently to operating result		11,706,847	175,141,436
Total other comprehensive income		11,706,847	175,141,436
Total comprehensive income		12,129,742	176,950,682

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

Corporation of the City of Campbelltown

Statement of Financial Position

as at 30 June 2024

\$	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	7,145,381	39,142,553
Trade and other receivables	5b	4,173,950	2,887,101
Other financial assets	5c	35,120,000	–
Inventories	5d	20,477	19,940
Total current assets		46,459,808	42,049,594
Non-current assets			
Trade and other receivables	6a	320,996	235,640
Equity accounted investments in council businesses	6b	284,141	377,616
Other non-current assets	6c	1,770,246	3,422,747
Infrastructure, property, plant and equipment	7	939,785,838	931,445,864
Total non-current assets		942,161,221	935,481,867
TOTAL ASSETS		988,621,029	977,531,461
LIABILITIES			
Current liabilities			
Trade and other payables	8a	5,961,294	7,276,980
Borrowings	8b	1,709	6,609
Provisions	8c	2,514,665	2,268,786
Total current liabilities		8,477,668	9,552,375
Non-current liabilities			
Borrowings	8b	–	1,709
Provisions	8c	925,122	801,415
Total non-current liabilities		925,122	803,124
TOTAL LIABILITIES		9,402,790	10,355,499
Net assets		979,218,239	967,175,962
EQUITY			
Accumulated surplus		116,629,042	123,664,915
Asset revaluation reserves	9a	776,888,021	766,794,389
Other reserves	9b	85,701,176	76,716,658
Total council equity		979,218,239	967,175,962
Total equity		979,218,239	967,175,962

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

Corporation of the City of Campbelltown

Statement of Changes in Equity

for the year ended 30 June 2024

\$	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2024					
Balance at the end of previous reporting period		123,664,915	766,794,389	76,716,658	967,175,962
Net surplus / (deficit) for year		422,895	—	—	422,895
Other comprehensive income					
Share of OCI - equity accounted council businesses		8,821	—	—	8,821
- Gain (Loss) on Revaluation of I,PP&E	7a	—	11,698,026	—	11,698,026
Transfer to accumulated surplus on sale of I,PP&E	9a	1,604,394	(1,604,394)	—	—
Other equity adjustments - equity accounted council businesses	19	(87,465)	—	—	(87,465)
Other comprehensive income		1,525,750	10,093,632	—	11,619,382
Total comprehensive income		1,948,645	10,093,632	—	12,042,277
Transfers between reserves		(8,984,518)	—	8,984,518	—
Balance at the end of period		116,629,042	776,888,021	85,701,176	979,218,239
2023					
Balance at the end of previous reporting period		129,826,297	594,152,223	66,616,508	790,595,028
Adjustments (correction of prior period errors)	24	(362,192)	—	—	(362,192)
Net surplus / (deficit) for year		1,809,246	—	—	1,809,246
Other comprehensive income					
Share of OCI - equity accounted council businesses		28,357	—	—	28,357
- Gain (Loss) on Revaluation of I,PP&E	7a	—	175,113,079	—	175,113,079
Transfer to accumulated surplus on sale of I,PP&E	9a	2,470,913	(2,470,913)	—	—
Other equity adjustments - equity accounted council businesses	19	(7,556)	—	—	(7,556)
Other comprehensive income		2,491,714	172,642,166	—	175,133,880
Total comprehensive income		4,300,960	172,642,166	—	176,943,126
Transfers between reserves		(10,100,150)	—	10,100,150	—
Balance at the end of period		123,664,915	766,794,389	76,716,658	967,175,962

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

Corporation of the City of Campbelltown

Statement of Cash Flows

for the year ended 30 June 2024

\$	Notes	2024	2023
Cash flows from operating activities			
<u>Receipts</u>			
Rates receipts		47,599,609	43,847,413
Statutory charges		1,438,283	1,299,249
User charges		7,763,779	7,180,620
Grants, subsidies and contributions (operating purpose)		3,106,589	4,667,636
Investment receipts		2,100,361	1,374,106
Reimbursements		692,455	722,438
Other receipts		1,493,759	4,654,797
<u>Payments</u>			
Payments to employees		(17,101,388)	(15,862,995)
Payments for materials, contracts and other expenses		(31,628,895)	(31,897,687)
Finance payments		(92)	(1,182)
Net cash provided by (or used in) operating activities	11b	15,464,460	15,984,395
Cash flows from investing activities			
<u>Receipts</u>			
Amounts received specifically for new or upgraded assets		1,074,766	2,238,834
Grants utilised for capital purposes		1,042,093	672,824
Sale of replaced assets		488,701	350,704
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(10,087,365)	(7,351,948)
Expenditure on new/upgraded assets		(4,682,557)	(9,003,022)
Net purchase of investment securities	5c	(35,120,000)	—
Net cash provided (or used in) investing activities		(47,284,362)	(13,092,608)
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from bonds and deposits		378,927	112,740
<u>Payments</u>			
Repayment of lease liabilities		(6,609)	(44,916)
Repayment of bonds and deposits		(549,588)	(81,322)
Net cash provided by (or used in) financing activities		(177,270)	(13,498)
Net increase (decrease) in cash held		(31,997,172)	2,878,289
plus: cash & cash equivalents at beginning of period		39,142,553	36,264,264
Cash and cash equivalents held at end of period	11a	7,145,381	39,142,553
Additional information:			
plus: investments on hand – end of year	5c	35,120,000	—
Total cash, cash equivalents and investments		42,265,381	39,142,553

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

Corporation of the City of Campbelltown

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

Note	Details	Page
1	Summary of Material Accounting Policies	9
2	Income	16
3	Expenses	19
4	Asset disposal and fair value adjustments	20
5	Current assets	21
6	Non-current assets	22
7	Infrastructure, Property, Plant & Equipment	23
8	Liabilities	29
9	Reserves	30
10	Assets subject to restrictions	32
11	Reconciliation to Statement of Cash Flows	33
12(a)	Functions	34
12(b)	Components of functions	35
13	Financial instruments	35
14	Capital Expenditure Commitments	38
15	Financial indicators	39
16	Uniform presentation of finances	40
17	Leases	41
18	Superannuation	42
19	Interests in other entities	43
20	Non-current assets held for sale and discontinued operations	45
21	Contingencies and assets/liabilities not recognised in the balance sheet	45
22	Events after the balance sheet date	46
23	Related party transactions	46
24	Retrospective Restatement of 2023 Comparative Data	47

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies

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

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

(1) Basis of preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Critical accounting estimates

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

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

1.3 Rounding

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

(2) The local government reporting entity

Campbelltown City Council is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 172 Montacute Road, Rostrevor. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

(3) Income recognition

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

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

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

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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:

Financial Year	Cash Payment Received	Annual Allocation	Difference	Net Timing Adjustments
2021/2022	\$2,644,439	\$2,030,073	+ \$614,366	+\$323,240
2022/2023	\$2,774,260	\$2,190,447	+ \$583,813	+\$1,198,179
2023/2024	\$369,156	\$2,463,069	- \$2,093,913	-\$1,510,100

Because these grants are untied, the Australian Accounting Standards require these grants to 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 amount of the distortion for 2024 is -\$1,510,100 (2023: +\$1,198,179).

The Adjusted 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.

Construction contracts

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

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

(4) Cash, cash equivalents and other financial instruments

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.

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

(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 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 reviewing annually) 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.

Expressed as a percentage of Current Replacement Cost

Buildings – Extensions	5%
Buildings – Renewals	10%
Roads and Footpaths	10%
Kerb, Gutter and Drains	10%
Bridges	10%
Fleet and Other Plant	10%
Park and Playground Furniture and Equipment	10%
Playing Courts	10%
Irrigation – Renewals	10%

Expressed as dollars

Information Technology and Computer Equipment	\$15,000
Office Furniture and Equipment	\$2,000
Public Artworks	\$5,000

6.3 Subsequent recognition

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

6.4 Depreciation of non-current assets

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

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

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

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

Buildings & Other Structures

Structure	30 to 100 years
Roof	24 to 40 years
Fire & Safety Services	15 to 20 years
Mechanical Services	15 to 30 years
Hydraulic Services	30 to 100 years
Lift	40 years
Building Fabric	30 to 100 years
Electrical Services	30 to 100 years
Landscaping	30 to 100 years
Pool	50 years

Infrastructure

Road Surface	10 to 50 years
Road Pavement – Base Course	60 to 100 years
Road Pavement – Sub Base	300 to 500 years
Kerb and Gutter	60 to 80 years
Closed Drainage and Culverts	30 to 100 years
Open Channel	15 to 100 years
Trash Racks and Gross Pollutant Traps	15 to 100 years
Footpaths and Walkways	10 to 46 years
Traffic Control Devices	40 to 55 years
Car Parks	10 to 100 years

Bridges

Bridge Abutment	80 years
Bridge Structure	80 years
Bridge Decking	30 to 40 years
Bridge Column	80 years
Bridge Balustrade	40 years
Bridge Guardrail	40 years

Plant & Equipment

Catering Equipment	4 to 25 years
Electronic Equipment	2 to 15 years
Fleet and Plant	2 to 15 years
Sport and Recreation Equipment	2 to 22 years

Furniture and Fittings

Furniture and Fittings	5 to 20 years
------------------------	---------------

Other Assets

Barbeques	40 years
Bus Stops	10 to 20 years
Fences	25 to 40 years
Irrigation	40 years
Landscaping	25 years
Lighting	40 years
Park Benches and Picnic Tables	40 years
Playground Equipment	10 to 20 years
Playing Courts	10 to 40 years
Shade Structures	20 to 50 years
Synthetic Soccer Pitch	10 to 100 years
Miscellaneous	5 to 100 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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

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

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

6.6 Borrowing costs

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

(7) Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days from the date of invoice, unless otherwise agreed. No interest is payable on these amounts.

7.2 Payments Received in Advance & Deposits

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

(8) Borrowings

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

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

(9) Employee benefits

9.1 Salaries, Wages & Compensated Absences

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

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 average discount rate: 4.19% (2023, 4.05%)

Weighted average settlement period: 2.12 years (2023, 2.27 years)

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.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to Hostplus (formerly the Statewide Superannuation Scheme). The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

(10) Leases

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

10.1 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.

i) Right-of-Use-Assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Plant and Equipment	5 years
---------------------	---------

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - 6.5 Impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Council uses its incremental borrowing rate or the interest rate implicit in the lease.

iii) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of plant 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.

(11) Equity accounted Council businesses

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 *Investments in Associates and Joint Ventures* and set out in detail in Note 19.

(12) GST implications

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

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

(13) 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 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.

(14) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts have been reclassified or individually reported for the first time within these financial statements and/or the notes. Refer to Note 24 Retrospective Restatement of 2023 Comparative Data for further details

(15) Disclaimer

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

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 2. Income

\$	2024	2023
(a) Rates		
General rates		
General rates	47,178,065	43,320,223
Less: mandatory rebates	(769,904)	(712,845)
Less: Rate Capping	(88,373)	(124,352)
Less: discretionary rebates, remissions and write-offs	(53,210)	(99,745)
Total general rates	46,266,578	42,383,281
Other rates (including service charges)		
Regional Landscape Levy	1,413,602	1,257,388
Total other rates (including service charges)	1,413,602	1,257,388
Other charges		
Penalties for late payment	195,001	145,329
Legal and other costs recovered	55,548	93,751
Total other charges	250,549	239,080
Less: discretionary rebates, remissions and write-offs		
Less: discretionary rebates, remissions and write-offs	(22,471)	(20,110)
Total less: discretionary rebates, remissions and write-offs	(22,471)	(20,110)
Total rates	47,908,258	43,859,639
(b) Statutory charges		
Development fees	52,482	48,628
Town planning fees	555,095	493,993
Animal registration fees and fines	256,576	237,233
Parking fines / expiation fees	401,743	408,250
Environmental control fines	67,622	23,083
Section 7 Searches	103,194	87,235
Other licences, fees and fines	1,571	827
Total statutory charges	1,438,283	1,299,249
(c) User charges		
Cemetery Fees	21,963	15,172
Hall and equipment hire	527,881	454,328
Sales - general	6,376	7,966
ARC Campbelltown	5,973,194	5,520,327
Lease Fees	538,575	544,643
Library Services	73,603	67,231
Sundry	31,527	18,920
Total user charges	7,173,119	6,628,587

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 2. Income (continued)

\$	2024	2023
(d) Investment income		
Interest on Investments		
- Local Government Finance Authority	2,028,149	1,326,341
- Banks and other	71,697	47,250
- Loans to community groups	515	515
<u>Total investment income</u>	<u>2,100,361</u>	<u>1,374,106</u>
(e) Reimbursements		
Private works	89,804	93,926
Joint undertakings	488,468	536,709
Other	56,899	91,803
<u>Total reimbursements</u>	<u>635,171</u>	<u>722,438</u>
(f) Other income		
Insurance and other recoupments - infrastructure, property, plant and equipment	70,519	108,642
Rebates received	10,967	8,598
Community Home Support Program Contributions	214,248	235,744
Workers' Compensation Rebate	342,676	349,688
Sundry	195,354	159,700
<u>Total other income</u>	<u>833,764</u>	<u>862,372</u>

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 2. Income (continued)

\$	2024	2023
(g) Grants, subsidies and contributions		
Capital grants, subsidies and contributions		
Fourth Creek Trail - Stage 3	–	221,950
Max Amber Sportsfield Redevelopment	–	332,300
Paradise Recreation Plaza	593,499	313,825
State Bicycle Fund	–	89,143
Thorndon Park Super Playground	–	1,125,000
Black Spot Funding	384,484	–
Other Amounts Received Specifically for New or Upgraded Assets	96,783	156,616
Total Amounts Received Specifically for New or Upgraded Assets	1,074,766	2,238,834
Other grants, subsidies and contributions - capital		
Black Spot Funding	57,452	–
Daly Oval Floodlighting	–	320,000
South Australian Cricket Association - Places to Play	19,732	–
Roads to Recovery	920,536	152,995
State Bicycle Fund	30,920	17,829
Steve Woodcock Female Change Room Improvements	–	182,000
Court Resurfacing - Hectorville Sports & Community Club	13,453	–
Total Other grants, subsidies and contributions - capital	1,042,093	672,824
Operating grants, subsidies and contributions		
Untied - Financial Assistance Grant	369,156	2,774,260
Community Home Support Program	886,923	812,190
Library Operating Subsidy	180,942	174,428
Library Materials Grant	173,969	144,733
Local Roads and Community Infrastructure Grants	611,656	495,088
Paradise Recreation Plaza	582,859	–
Black Spot Funding	32,097	–
State Bicycle Fund	41,298	–
Other grants, subsidies and contributions	227,689	266,937
Other grants, subsidies and contributions - operating	3,106,589	4,667,636
Total other grants, subsidies and contributions - operating	3,106,589	4,667,636
The functions to which operating grants relate are shown in Note 12.		
Total grants, subsidies and contributions	5,223,448	7,579,294
(i) Sources of grants		
Commonwealth Government	2,419,115	1,832,573
State Government	2,628,598	5,382,568
Other	175,735	364,153
Total	5,223,448	7,579,294

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 2. Income (continued)

\$	2024	2023
(h) Physical resources received free of charge		
Land and improvements	–	968,834
Infrastructure	671,470	1,633,924
Shade Shelters and Structures	–	21,950
<u>Total physical resources received free of charge</u>	<u>671,470</u>	<u>2,624,708</u>

Note 3. Expenses

\$	Notes	2024	2023
(a) Employee costs			
Salaries and wages		12,957,011	11,790,832
Employee leave expense		2,390,123	2,192,680
Superannuation - defined contribution plan contributions	18	1,190,859	1,032,162
Superannuation - defined benefit plan contributions	18	374,374	349,035
Workers' compensation insurance		680,090	652,285
Less: capitalised and distributed costs		(493,554)	(336,489)
<u>Total operating employee costs</u>		<u>17,098,903</u>	<u>15,680,505</u>
Total number of employees (full time equivalent at end of reporting period)			
		152	142
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		25,000	24,000
- Other auditors		37,575	29,671
Bad and doubtful debts		129,159	127,395
Elected members' expenses		297,193	258,535
Election expenses		17,780	246,408
Lease expense - low value assets / short term leases		22,898	20,393
<u>Subtotal - prescribed expenses</u>		<u>529,605</u>	<u>706,402</u>
(ii) Other materials, contracts and expenses			
Contractors		18,509,742	17,917,707
Energy		2,404,546	2,167,939
Legal expenses		257,380	458,131
Levies Paid to Government - Regional Landscape Levy		1,391,211	1,237,355
Levies - other		549,891	534,917
Parts, accessories and consumables		2,033,955	1,946,886
Professional services		667,252	280,940
Communications		183,886	168,403
Insurance		737,052	676,447
PLEC Contributions		–	–
Library Materials - Grant Funded		173,969	133,733
Sundry		1,045,420	1,012,486
<u>Subtotal - Other material, contracts and expenses</u>		<u>27,954,304</u>	<u>26,534,944</u>
<u>Total materials, contracts and other expenses</u>		<u>28,483,909</u>	<u>27,241,346</u>

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 3. Expenses (continued)

\$	2024	2023
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Buildings - Level 2	56,876	52,918
Buildings - Level 3	2,730,643	2,554,087
Infrastructure		
- Stormwater drainage	1,828,147	1,794,938
- Bridges	185,740	161,645
- Road Transport Assets and Car Parks	8,186,974	8,084,366
- Gross Pollutant Traps and Trash Racks	35,948	48,983
- Road Traffic Control Devices	198,238	162,325
- Footpaths and Walkways	1,665,853	1,513,993
Softfall, Fences and Gates	183,379	79,570
Park Furniture	68,859	56,065
Other Open Space Assets	322,932	271,068
Playground Equipment	473,100	519,629
Shade Shelters and Structures	178,164	143,439
Playing Fields, Courts, Lighting and Equipment	404,980	427,494
Other Boutique Assets	148,655	101,118
Right-of-use assets	6,290	46,748
Plant and equipment	1,114,931	1,068,410
Furniture and fittings	122,455	117,074
Bus Stops	69,157	86,559
Subtotal	17,981,321	17,290,429
Total depreciation, amortisation and impairment	17,981,321	17,290,429
(d) Finance costs		
Interest on overdraft and short-term drawdown	—	95
Charges on Leases	92	1,020
Total finance costs	92	1,115

Note 4. Asset disposal and fair value adjustments

\$	2024	2023
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	488,701	350,704
Less: carrying amount of assets sold	(2,470,624)	(3,322,425)
Gain (loss) on disposal	(1,981,923)	(2,971,721)
Net gain (loss) on disposal or revaluation of assets	(1,981,923)	(2,971,721)

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 5. Current assets

\$	2024	2023
(a) Cash and cash equivalent assets		
Cash on hand and at bank	239,469	54,782
Deposits at call	6,905,912	39,087,771
<u>Total cash and cash equivalent assets</u>	<u>7,145,381</u>	<u>39,142,553</u>
(b) Trade and other receivables		
Rates - general and other	938,348	653,712
Accrued revenues	1,064,320	316,866
Debtors - general	945,231	758,308
GST recoupment	241,494	243,928
Prepayments	974,821	902,637
Athelstone Football Club Lease	5,786	5,572
Campbelltown Soccer Club Lease	10,000	10,000
Athelstone Football Club Loan	1,733	1,700
<u>Subtotal</u>	<u>4,181,733</u>	<u>2,892,723</u>
Less: provision for expected credit losses	(7,783)	(5,622)
<u>Total trade and other receivables</u>	<u>4,173,950</u>	<u>2,887,101</u>
(c) Other financial assets		
Short-Term Investments - LGFA	35,000,000	—
Short-Term Investments - Bank	120,000	—
<u>Total other financial assets (investments)</u>	<u>35,120,000</u>	<u>—</u>
Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 13.		
(d) Inventories		
Stores and materials	1,131	643
Trading Stock - ARC Campbelltown	19,346	19,297
<u>Total inventories</u>	<u>20,477</u>	<u>19,940</u>

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 6. Non-current assets

\$	2024	2023
(a) Trade and other receivables		
Receivables		
Council rates postponement scheme	131,507	107,494
Prepayments	86,734	7,873
Athelstone Football Club Lease	71,049	76,835
Campbelltown Soccer Club Lease	10,000	20,000
Athelstone Football Club Loan	21,706	23,438
Subtotal	320,996	235,640
Total receivables	320,996	235,640
<u>Total financial assets</u>	<u>320,996</u>	<u>235,640</u>
(b) Equity accounted investments in council businesses		
Eastern Waste Management Authority Inc.	111,750	234,589
Eastern Health Authority Inc.	172,391	143,027
<u>Total equity accounted investments in Council businesses</u>	<u>284,141</u>	<u>377,616</u>
(c) Other non-current assets		
Other		
Capital work in progress	1,770,246	3,422,747
Total other	1,770,246	3,422,747
<u>Total other non-current assets</u>	<u>1,770,246</u>	<u>3,422,747</u>

Corporation of the City of Campbelltown

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

\$	Fair Value Level	as at 30/06/23				Asset movements during the reporting period										as at 30/06/24			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Adjustments & Transfers	Other Movements (Physical Resources Received Free of Charge)	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)			At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land - Level 2	2	33,663,400	—	—	33,663,400	—	—	—	—	—	—	—	1,404,900			35,068,300	—	—	35,068,300
Land - Level 3	3	361,465,640	—	—	361,465,640	—	—	—	—	—	—	—	9,657,510			371,123,150	—	—	371,123,150
Buildings - Level 2	2	2,950,800	—	(2,294,718)	656,082	—	—	—	(56,876)	—	—	—	31,918			3,172,000	—	(2,540,876)	631,124
Buildings - Level 3	3	113,077,716	4,751,712	(39,228,291)	78,601,137	342,811	1,246,143	—	(2,730,643)	—	—	—	5,185,517			122,789,500	1,588,954	(41,733,489)	82,644,965
Infrastructure																			
- Stormwater drainage	3	164,228,422	1,703,457	(71,826,122)	94,105,757	2,870,342	183,168	(57,537)	(1,828,147)	—	323,243	(198,980)	—			162,569,829	3,376,752	(70,548,735)	95,397,846
- Bridges	3	10,429,006	298,157	(2,745,225)	7,981,938	—	—	—	(185,740)	—	—	—	2,083,465			13,480,986	—	(3,601,323)	9,879,663
- Road Transport Assets and Car Parks	3	426,463,745	5,136,775	(147,332,290)	284,268,230	307,294	3,875,026	(1,499,945)	(8,186,974)	—	270,537	(9,535,486)	—			427,417,257	4,452,858	(162,371,433)	269,498,682
- Gross Pollutant Traps and Trash Racks	3	556,651	3,120	(195,752)	364,019	—	—	—	(35,948)	—	31,627	—	85,861			609,572	31,627	(195,640)	445,559
- Road Traffic Control Devices	3	7,266,503	244,352	(2,343,972)	5,166,883	114,143	40,743	(36,385)	(198,238)	—	—	—	444,121			9,187,001	154,886	(3,810,620)	5,531,267
- Footpaths and Walkways	3	56,694,535	3,321,064	(24,227,757)	35,787,842	701,732	625,419	(198,219)	(1,665,853)	—	46,063	(2,540,084)	—			62,507,771	1,373,215	(31,124,086)	32,756,900
Right-of-use assets		—	80,492	(72,569)	7,923	—	—	—	(6,290)	—	—	—	—			—	10,877	(9,244)	1,633
Plant and equipment		—	13,249,395	(7,693,798)	5,555,597	191,449	2,049,395	(337,512)	(1,114,931)	—	—	—	—			—	13,370,425	(7,026,427)	6,343,998
Furniture and fittings		—	1,700,121	(1,011,081)	689,040	26,020	33,728	(2,538)	(122,455)	—	—	—	—			—	1,744,609	(1,120,814)	623,795
Bus Stops	3	2,171,019	54,618	(758,550)	1,467,087	—	14,472	(4,247)	(69,157)	(52,443)	—	(574,230)	—			1,175,955	14,472	(408,945)	781,482
Softfall, Fences and Gates	3	2,188,536	546,075	(690,342)	2,044,269	258,181	5,324	—	(183,379)	(679,744)	—	—	434,155			3,517,297	263,505	(1,901,996)	1,878,806
Park Furniture	3	1,944,309	206,938	(987,758)	1,163,489	222,617	15,407	(7,562)	(68,859)	(13,310)	—	—	342,722			2,348,169	238,024	(931,689)	1,654,504
Other Open Space Assets	3	9,092,051	522,355	(4,968,332)	4,646,074	420,979	25,270	(43,964)	(322,932)	786,582	—	(6,543)	—			10,687,840	446,250	(5,628,624)	5,505,466
Playground Equipment	3	4,560,485	2,145,438	(3,410,597)	3,295,326	416,462	—	—	(473,100)	(129,382)	—	—	1,742,768			6,475,700	416,462	(2,040,088)	4,852,074
Shade Shelters and Structures	3	2,940,846	148,097	(1,576,396)	1,512,547	349,129	30,496	(58,115)	(178,164)	—	—	—	1,156,494			3,473,100	379,625	(1,040,338)	2,812,387
Playing Fields, Courts, Lighting and Equipment	3	8,580,293	2,388,747	(4,072,189)	6,896,851	322,552	320,545	(222,684)	(404,980)	22,544	—	—	893,566			10,242,540	643,097	(3,057,243)	7,828,394
Other Boutique Assets	3	3,541,722	458,878	(1,893,867)	2,106,733	310,533	1,103,041	(1,914)	(148,655)	65,753	—	—	1,090,352			4,261,600	1,413,574	(1,149,331)	4,525,843
Other assets	3	—	—	—	—	—	—	—	—	—	—	—	—			—	—	—	—
Total infrastructure, property, plant and equipment		1,211,815,679	36,959,791	(317,329,606)	931,445,864	6,854,244	9,568,177	(2,470,622)	(17,981,321)	—	671,470	(12,855,323)	24,553,349	1,250,107,567	29,919,212	(340,240,941)	939,785,838		
Comparatives		1,063,765,966	32,334,315	(342,605,707)	753,494,574	9,880,455	10,945,903	(3,322,425)	(17,290,429)	—	2,624,707	(686)	175,113,765	1,211,815,679	36,959,791	(317,329,606)	931,445,864		

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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

Valuation of Infrastructure, Property, Plant & Equipment

Valuation of assets

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

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

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

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

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

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

The entity selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure Fair Value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the entity are consistent with one or more of the following valuation approaches:

- *Market approach:* uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- *Income approach:* converts estimated future cash flows or income and expenses into a single current (ie discounted) value.
- *Cost approach:* reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the entity gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore developed using the best information available about such assumptions are considered unobservable.

Information on 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.

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.

Where 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.

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques.

Other information

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

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

Highest and best use

For land which Council has an unfettered right to sell, the 'highest and best use' recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land. Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

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

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

Transition to AASB 13 - Fair Value Measurement

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

Land

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

Land was revalued to its fair value as at 1 July 2020, where a physical inspection and full revaluation was undertaken by AssetVal Pty Ltd. A desktop revaluation was undertaken by AssetVal Pty Ltd as at 1 July 2023. No capitalisation threshold is applied to the acquisition of land or interests in land.

A physical inspection and full revaluation for Land is scheduled to apply from 1 July 2024.

Buildings

Buildings were revalued to their fair value as at 1 July 2020, where a physical inspection and full revaluation was undertaken by AssetVal Pty Ltd. A desktop revaluation was undertaken by AssetVal Pty Ltd as at 1 July 2023. The depreciation expense for the year ended 30 June 2024 was calculated to take into account the updated revaluation. The \$180,514 increase in depreciation expense is represented by an increase of \$2,282 from new assets and an increase of \$178,232 due to revaluation movements.

A physical inspection and full revaluation for Buildings is scheduled to apply from 1 July 2024.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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

Infrastructure

Stormwater Drainage

Visual inspections using CCTV recommenced effective 1 July 2022 and were undertaken on a small sample by TigerVac SA Pty Ltd. The unit rates developed by Council Staff for these asset categories were independently verified by Asset Engineering Pty Ltd as at 1 July 2023, with depreciation for the year ended 30 June 2024 being calculated to take into account these unit rates. The \$33,208 increase in depreciation expense is represented by an increase of \$38,486 from new assets and a decrease of \$5,278 due to revaluation movements.

Council will continue the rolling condition assessment during 2025, with a revision to unit rates being applied as at 1 July 2024.

Bridges

A data validation and condition assessment was performed by Council Staff for this asset category as at 1 July 2023. The unit rates for these assets were developed by Asset Engineering Pty Ltd as at 1 July 2023, with depreciation for the year ended 30 June 2024 being calculated to take into account these unit rates. The \$24,095 increase in depreciation expense is represented by an increase of \$24,095 due to revaluation movements.

It is expected that this category of assets will next be condition assessed as at 1 July 2027, with a revision to unit rates being applied as at 1 July 2024.

Road Transport Assets and Car Parks

Road Surface, Road Pavement, Kerb & Gutter and Car Parks were conditionally assessed by Talis Consultants Pty Ltd during 2022, with an effective date of 1 July 2022 for Road Surface and 1 July 2023 for Road Pavement, Kerb & Gutter and Car Parks. The unit rates developed by Council Staff for these asset categories were independently verified by Asset Engineering Pty Ltd as at 1 July 2023, with depreciation for the year ended 30 June 2024 being calculated to take into account these unit rates. The \$102,608 increase in depreciation expense is represented by an increase of \$5,251 from new assets and an increase of \$97,357 due to revaluation movements.

It is expected that this category of assets will next be condition assessed as at 1 July 2026, with a revision to unit rates being applied as at 1 July 2024.

Gross Pollutant Traps and Trash Racks

A data validation and condition assessment was performed by Council Staff for Trash Racks, Mesh Pits and Gross Pollutant Traps as at 1 July 2023. The unit rates for these assets were developed by Asset Engineering Pty Ltd as at 1 July 2023, with depreciation for the year ended 30 June 2024 being calculated to take into account these unit rates. The \$13,035 decrease in depreciation expense is represented by an increase of \$1,847 from new assets and a decrease of \$14,882 due to revaluation movements resulting from an increase in useful lives.

It is expected that this category of assets will next be condition assessed as at 1 July 2027, with a revision to unit rates being applied as at 1 July 2024.

Road Traffic Control Devices

A data collection, validation exercise and condition assessment was undertaken by Talis Consultants Pty Ltd during 2022 with an effective date of 1 July 2023. The unit rates for these assets were developed by Asset Engineering Pty Ltd as at 1 July 2023, with depreciation for the year ended 30 June 2024 being calculated to take into account these unit rates. The \$35,913 increase in depreciation expense is represented by an increase of \$63 from new assets and an increase of \$35,850 due to revaluation movements.

It is expected that this category of assets will next be condition assessed as at 1 July 2026, with a revision to unit rates being applied as at 1 July 2024.

Footpaths and Walkways

Footpaths and Walkways were conditionally assessed by Talis Consultants Pty Ltd during 2022, with an effective date of 1 July 2023. The unit rates developed by Council Staff for these assets were independently verified by Asset Engineering Pty Ltd as at 1 July 2023, with depreciation for the year ended 30 June 2024 being calculated to take into account these unit rates. The \$151,860 increase in depreciation expense is represented by an increase of \$3,301 from new assets and an increase of \$148,559 due to revaluation movements.

It is expected that this category of assets will next be condition assessed as at 1 July 2026, with a revision to unit rates being applied as at 1 July 2024.

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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

Softfall, Fencing and Gates

A data capture and validation exercise was last undertaken for Softfall assets by Sproutt Pty Ltd as at 1 July 2023, with depreciation for the year ended 30 June 2024 being calculated to take into account this revaluation. Fencing and Gate assets were revalued to their fair value as at 1 July 2022, with depreciation for the year ended 30 June 2024 being calculated to take into account these unit rates.

The \$103,809 increase in depreciation expense is represented by an increase of \$16,278 from new assets and an increase of \$87,531 due to revaluation movements.

It is expected that this category of assets will next be condition assessed as at 1 July 2027, with a revision to unit rates being applied as at 1 July 2024.

Park Furniture

A data capture, validation exercise and condition assessment was last undertaken by Sproutt Pty Ltd as at 1 July 2023, with 39 new assets identified through this process. Unit rates were provided by Asset Engineering Pty Ltd as at 1 July 2023, with depreciation for the year ended 30 June 2024 being calculated to take into account these unit rates. The \$12,794 increase in depreciation expense is represented by an increase of \$2,816 from new assets and an increase of \$9,978 due to revaluation movements.

It is expected that this category of assets will next be condition assessed as at 1 July 2027, with a revision to unit rates being applied as at 1 July 2024.

Other Open Space Assets

A data capture, validation exercise and condition assessment was last undertaken by Sproutt Pty Ltd as at 1 July 2023, with 239 new assets identified through this process. Unit rates were provided by Asset Engineering Pty Ltd as at 1 July 2023, with depreciation for the year ended 30 June 2024 being calculated to take into account these unit rates. The \$51,864 increase in depreciation expense is represented by an increase of \$3,137 from new assets and an increase of \$48,727 due to revaluation movements.

It is expected that this category of assets will next be condition assessed as at 1 July 2027, with a revision to unit rates being applied as at 1 July 2024.

Playground Equipment

Playground Equipment were revalued to their fair value as at 1 July 2023 by Public Private Property Pty Ltd, based on a physical inspection and condition assessment by Sproutt Pty Ltd, with 16 new assets identified through this process. Depreciation for the year ended 30 June 2024 has been calculated to take into account the updated revaluation. The \$46,529 decrease in depreciation expense is represented by an increase of \$14,747 from new assets and a decrease of \$61,276 due to revaluation movements.

A desktop revaluation for this asset category is scheduled to apply from 1 July 2024.

Shade Shelters and Structures

Shade Shelters and Structures were revalued to their fair value as at 1 July 2023 by Public Private Property Pty Ltd, based on a physical inspection and condition assessment by Sproutt Pty Ltd, with 3 new assets identified through this process. Depreciation for the year ended 30 June 2024 has been calculated to take into account the updated revaluation. The \$34,725 increase in depreciation expense is represented by an increase of \$7,302 from new assets and an increase of \$27,423 due to revaluation movements.

A desktop revaluation for this asset category is scheduled to apply from 1 July 2024.

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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

Playing Fields, Courts, Lighting and Equipment

Playing Fields, Courts, Lighting and Equipment were revalued to their fair value as at 1 July 2023 by Public Private Property Pty Ltd, based on a physical inspection and condition assessment by Sproutt Pty Ltd, with 96 new assets identified through this process, including 72 new lights. Depreciation for the year ended 30 June 2024 has been calculated to take into account the updated revaluation. The \$22,514 decrease in depreciation expense is represented by an increase of \$7,414 from new assets and a decrease of \$29,928, due to revaluation movements.

A desktop revaluation for this asset category is scheduled to apply from 1 July 2024.

Other Boutique Assets

Other Boutique Assets were revalued to their fair value as at 1 July 2023 by Public Private Property Pty Ltd, based on a physical inspection and condition assessment by Sproutt Pty Ltd, with 242 new assets identified through this process. Depreciation for the year ended 30 June 2024 has been calculated to take into account the updated revaluation. The \$47,537 increase in depreciation expense is represented by an increase of \$6,047 from new assets and an increase of \$41,490 due to revaluation movements.

A desktop revaluation for this asset category is scheduled to apply from 1 July 2024.

Right-of-Use Assets

Pursuant to Council's election, these assets are recognised at cost.

Plant & Equipment

Pursuant to Council's election, these assets are recognised at cost.

Furniture & Fittings

Pursuant to Council's election, these assets are recognised at cost.

Bus Stops

A data capture and validation exercise was last undertaken by Staff as at 30 June 2021. Unit rates developed by Council Staff for these assets were independently verified by Asset Engineering Pty Ltd as at 1 July 2023, with depreciation for the year ended 30 June 2024 being calculated to take into account these unit rates. The \$17,402 decrease in depreciation expense is represented by a decrease of \$17,402 due to revaluation movements.

It is expected that this category of assets will next be condition assessed as at 1 July 2027, with a revision to unit rates being applied as at 1 July 2024.

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 8. Liabilities

	2024	2024	2023	2023
\$	Current	Non Current	Current	Non Current
(a) Trade and other payables				
Goods and services	2,310,587	—	2,861,948	—
Payments received in advance	524,385	—	2,064,093	—
Accrued expenses - employee entitlements	542,788	—	477,264	—
Accrued expenses - other	1,781,915	—	885,137	—
Deposits, retentions and bonds	565,704	—	736,365	—
Other	235,915	—	252,173	—
Total trade and other payables	5,961,294	—	7,276,980	—

	Notes	2024	2024	2023	2023
\$		Current	Non Current	Current	Non Current
(b) Borrowings					
Lease liabilities	17b	1,709	—	6,609	1,709
Total Borrowings		1,709	—	6,609	1,709

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

(c) Provisions

Annual Leave	965,248	370,674	938,913	302,139
Long Service Leave	1,549,417	554,448	1,329,873	499,276
Total provisions	2,514,665	925,122	2,268,786	801,415

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 9. Reserves

	as at 30/06/23				as at 30/06/24
\$	Opening Balance	Increments (Decrements)	Transfers	Reallocation	Closing Balance
(a) Asset revaluation reserve					
Land - Level 3	358,104,500	11,062,410	–	–	369,166,910
Buildings - Level 2	398,252	–	–	101,868	500,120
Buildings - Level 3	22,157,468	5,217,435	–	(101,868)	27,273,035
Infrastructure					
- Stormwater drainage	85,435,784	(198,980)	–	(47,797)	85,189,007
- Bridges	9,773,839	2,083,465	–	–	11,857,304
- Road Transport Assets and Car Parks	248,611,133	(9,535,486)	(1,280,610)	113,700	237,908,737
- Gross Pollutant Traps and Trash Racks	549,019	85,861	(52,227)	47,797	630,450
- Road Traffic Control Devices	4,149,649	444,121	(29,788)	–	4,563,982
- Footpaths and Walkways	28,206,074	(2,540,084)	(97,200)	(113,700)	25,455,090
Softfall, Fences and Gates	372,134	434,155	–	–	806,289
Park Furniture	407,766	342,722	(3,802)	–	746,686
Other Open Space Assets	1,913,334	(6,543)	(15,450)	–	1,891,341
Playground Equipment	1,588,695	1,742,768	–	–	3,331,463
Shade Shelters and Structures	949,849	1,156,494	(45,863)	–	2,060,480
Playing Fields, Courts, Lighting and Equipment	2,659,574	893,566	(77,282)	–	3,475,858
Other Boutique Assets	575,781	1,090,352	(978)	–	1,665,155
Bus Stops	941,539	(574,230)	(1,194)	–	366,115
Total asset revaluation reserve	766,794,390	11,698,026	(1,604,394)	–	776,888,022
Comparatives	593,777,127	175,113,079	(2,470,913)	–	766,419,293

The column titled 'Transfers' represents the amounts transferred to Accumulated Surplus on derecognition of assets.

	as at 30/06/23				as at 30/06/24
\$	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other reserves					
Asset Replacement Reserve	5,740,542	987,865	(1,795,024)	–	4,933,383
Committed Works Reserve	14,964,900	10,542,600	(14,847,900)	–	10,659,600
Renewal & Replacement Reserve	55,632,926	14,044,309	–	–	69,677,235
Galt Trust	2,123	97	–	–	2,220
Urban Tree Fund	24,382	6,896	–	–	31,278
Significant Tree Maintenance & Tree Planting Reserve	351,785	45,676	–	–	397,461
Total other reserves	76,716,658	25,627,443	(16,642,924)	–	85,701,177
Comparatives	66,616,508	25,190,009	(15,089,859)	–	76,716,658

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 9. Reserves (continued)

Purposes of reserves

Asset Revaluation Reserve

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

Asset Replacement Reserve

The Asset Replacement Reserve is used to set aside amounts that will offset the cost of replacing plant, equipment, furniture and fittings. Library stock and computer equipment are not included in these transfers.

Amounts are transferred to this Reserve at an amount equal to the annual depreciation charge on the relevant assets. The amount equivalent to the accumulated depreciation expense allocated for replaced assets is transferred from this Reserve to Accumulated Surplus to offset the cost of their replacement.

Committed Works Reserve

This Reserve represents the works that were not completed during the financial year, which Council has committed to undertake. This Reserve is reduced as net expenditure relating to these works is recognised.

Renewal & Replacement Reserve

This Reserve was established in the 2008/2009 financial year for the future renewal and replacement of existing assets, in accordance with Council's Long Term Financial Plan and Asset Management Plans.

Amounts transferred to or from this Reserve is based on the difference between the depreciation expense and net renewal and replacement capital expenditure for the relevant year. 0.55% of the annual rate increase was also allocated to this Reserve for future expenditure between 2008/2009 and 2017/2018.

Galt Trust

A historical fund that is set aside as an investment for Council.

Urban Tree Fund

The Urban Tree Fund was established in accordance with Section 50B of the Development Act 1993 and remains in place under the Planning, Development and Infrastructure Act 2016. The Fund was established on 10 August 2012 following publication of a Notice in the Government Gazette on 16 August 2012. Payments made to the Fund will be used to maintain or plant trees that are or will constitute significant trees once fully grown, or to purchase land within the Council area that will be used to plant or maintain trees that are or will become significant trees. In accordance with the Act, interest is accrued on the balance throughout the year.

Significant Tree Maintenance & Tree Planting Reserve

This Reserve was established following a resolution by Council at its 4 September 2018 meeting to increase the maintenance and life of significant trees and to implement additional planting programs to reduce the decline in canopy loss. Funds for this Reserve will be collected from the fees charged to property owners for the removal of Council trees.

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 10. Assets subject to restrictions

\$	2024	2023
<p>The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.</p>		
Cash and financial assets		
Unexpended amounts received		
Age Friendly SA Grant	–	40,000
Early Childhood Community Grant	–	9,208
East Torrens Primary School - National Day of Action Against Bullying and Violence	282	282
Fourth Creek Trail - Stage 2	–	3,708
National Science Week	165	–
Paradise Recreation Plaza	–	1,176,358
Roads to Recovery	–	383,770
Special Local Roads	265,000	–
State Bicycle Fund - Stage 1	16,914	16,806
State Bicycle Fund - Stage 2	18,340	67,165
Wadmore Park/Pulyonna Wirra Fire Management	–	2,697
Waste Reduction Initiative	–	25,512
Weekly Organics Pilot - Hectorville	28,088	50,520
Total cash and financial assets	328,789	1,776,026
Total assets subject to externally imposed restrictions	328,789	1,776,026

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 11. Reconciliation to Statement of Cash Flows

\$	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	7,145,381	39,142,553
Balances per Statement of Cash Flows		7,145,381	39,142,553

(b) Reconciliation of Operating Result

Net surplus/(deficit)		422,895	1,809,246
Non-cash items in income statements			
Depreciation, amortisation and impairment		17,981,321	17,290,429
Equity movements in equity accounted investments (increase)/decrease		14,831	(43,969)
Non-cash asset acquisitions		(671,470)	(2,624,708)
Grants for capital acquisitions treated as investing activity		(2,116,859)	(2,911,658)
Net (gain)/loss on disposals		1,981,923	2,971,721
		17,612,641	16,491,061
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		(1,391,884)	584,511
Change in allowances for under-recovery of receivables		2,161	(5,622)
Net (increase)/decrease in inventories		(537)	1,109
Net (increase)/decrease in other assets		17,518	28,516
Net increase/(decrease) in trade and other payables		(1,514,611)	(1,588,548)
Net increase/(decrease) in unpaid employee benefits		369,586	236,684
Net cash provided by (or used in) operations		15,464,460	15,984,395

\$	Notes	2024	2023
----	-------	------	------

(c) Non-cash financing and investing activities

Acquisition of assets by means of:

Physical resources received free of charge	2h	671,470	2,624,708
Amounts recognised in income statement		671,470	2,624,708
Total non-cash financing and investing activities		671,470	2,624,708

(d) Financing arrangements

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

Bank overdrafts	250,000	250,000
Corporate credit cards	400,000	150,000
LGFA cash advance debenture facility	–	5,000,000

Corporation of the City of Campbelltown

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).

	OPERATING INCOME		OPERATING EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN OPERATING INCOME		TOTAL ASSETS HELD (CURRENT AND NON-CURRENT)	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Functions/Activities										
Infrastructure Services	6,147,537	5,576,639	40,456,316	38,041,798	(34,308,779)	(32,465,159)	2,763,433	2,413,761	931,162,949	924,288,441
Corporate Services	50,253,111	47,192,333	7,783,972	7,107,708	42,469,139	40,084,625	63,986	1,751,335	47,554,085	43,290,221
Executive Services	149,259	233,117	2,647,971	3,184,439	(2,498,712)	(2,951,322)	22,741	25,825	909,570	1,074,579
Community Connections	7,687,731	7,084,762	12,675,966	11,879,450	(4,988,235)	(4,794,688)	1,298,522	1,149,539	8,994,425	8,878,220
Total Functions/Activities	64,237,638	60,086,851	63,564,225	60,213,395	673,413	(126,544)	4,148,682	5,340,460	988,621,029	977,531,461

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.

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 12(b). Components of functions

The activities relating to Council functions are as follows:

Council implemented a restructure of its services and reporting hierarchy effective 4 October 2022. Note 12 has been presented, including comparatives, to reflect the structure in place as at 30 June 2023.

INFRASTRUCTURE, PLANNING AND SUSTAINABILITY SERVICES

Asset Management-Road Transport, Asset Management-Footpaths, Tree Maintenance and Replacement, Asset Management - Stormwater, Street Lighting, Depot Operations, Infrastructure, Planning and Sustainability Services Management, Administration Building and Hall Maintenance, Waste Services, Sport and Recreation Facilities, Parks and Reserves, Cemeteries, Environmental Control and Public Order, Policy Planning and Development Assessment, Environmental Management.

COMMUNITY CONNECTIONS

Community Services and Social Development, Youth Development, Services for Older People, Community Transport, Library Services, Leisure Services, Community Engagement, Community Connections Management.

EXECUTIVE SERVICES

Executive Services, Elected Members, Economic Development and Civic Functions.

CORPORATE SERVICES

Information Communication and Technology Services, People and Culture, Governance, Finance, Corporate Services Management, Environmental Health.

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 4.55% and 5.03% (2023: 4.05% and 5.74%). Short term deposits have an average maturity of 105 days and an average interest rate of 4.89% (2023: 76 days and 4.52%).

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 annual interest of 9.05% (2023: 5.80%). 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).

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 13. Financial instruments (continued)

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.

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 - leases

Accounting policy:

Accounted for in accordance with AASB 16 *Property, Plant and Equipment*, as stated in Note 17.

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 13. Financial instruments (continued)

\$	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	7,145,381	–	–	7,145,381	7,145,381
Receivables	3,199,954	–	–	3,199,954	3,199,129
Other financial assets	35,120,000	33,217	196,387	35,349,604	35,440,996
Total financial assets	45,465,335	33,217	196,387	45,694,939	45,785,506
Financial liabilities					
Payables	4,658,206	–	–	4,658,206	4,658,206
Current borrowings	1,727	–	–	1,727	1,709
Non-current borrowings	–	–	–	–	–
Total financial liabilities	4,659,933	–	–	4,659,933	4,659,915
Total financial assets and liabilities	50,125,268	33,217	196,387	50,354,872	50,445,421
2023					
Financial assets					
Cash and cash equivalents	39,142,553	–	–	39,142,553	39,142,553
Receivables	1,985,536	–	–	1,985,536	1,984,464
Other financial assets	–	53,378	189,063	242,441	235,640
Total financial assets	41,128,089	53,378	189,063	41,370,530	41,362,657
Financial liabilities					
Payables	4,121,258	–	–	4,121,258	4,121,258
Current borrowings	6,701	–	–	6,701	6,609
Non-current borrowings	–	–	–	–	–
Lease liabilities	–	1,727	–	1,727	1,709
Total financial liabilities	4,127,959	1,727	–	4,129,686	4,129,576
Total financial assets and liabilities	45,256,048	55,105	189,063	45,500,216	45,492,233

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 and 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.

Corporation of the City of Campbelltown

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

Note 14. Capital Expenditure Commitments

\$	2024	2023
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	146,650	887,000
Infrastructure	671,750	1,332,400
Plant and equipment	2,500,000	3,140,050
Other	5,809,250	8,779,100
	<u>9,127,650</u>	<u>14,138,550</u>
These expenditures are payable:		
Not later than one year	<u>9,127,650</u>	<u>14,138,550</u>
	<u>9,127,650</u>	<u>14,138,550</u>

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 15. Financial indicators

	Indicator 2024	Indicators 2023	Indicators 2022
<p>Financial Indicators overview</p> <p><i>These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.</i></p>			
1. Operating Surplus Ratio			
Operating surplus			
Total operating income	1.0%	(0.1)%	6.1%
<p><i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i></p>			
2. Net Financial Liabilities Ratio			
Net financial liabilities			
Total operating income	(58)%	(53)%	(51)%
<p><i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.</i></p>			
Adjustments to Ratios			
<p><i>In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.</i></p>			
Adjusted Operating Surplus Ratio			
Operating surplus			
Total operating income	4.1%	(1.1)%	5.1%
Adjusted Net Financial Liabilities Ratio			
Net financial liabilities			
Total operating income	(56)%	(54)%	(51)%
3. Asset Renewal Funding Ratio			
Asset renewals			
Infrastructure and Asset Management Plan required expenditure	141%	150%	237%
<p><i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.</i></p>			

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 16. Uniform presentation of finances

\$	2024	2023
----	------	------

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.

Income

Rates	47,908,258	43,859,639
Statutory charges	1,438,283	1,299,249
User charges	7,173,119	6,628,587
Grants, subsidies and contributions - capital	1,042,093	672,824
Grants, subsidies and contributions - operating	3,106,589	4,667,636
Investment income	2,100,361	1,374,106
Reimbursements	635,171	722,438
Other income	833,764	862,372
Net gain - equity accounted council businesses	31,419	43,969
Total Income	64,269,057	60,130,820

Expenses

Employee costs	17,098,903	15,680,505
Materials, contracts and other expenses	28,483,909	27,241,346
Depreciation, amortisation and impairment	17,981,321	17,290,429
Finance costs	92	1,115
Net loss - equity accounted council businesses	46,250	—
Total Expenses	63,610,475	60,213,395

Operating surplus / (deficit)

	658,582	(82,575)
Net timing adjustment for general purpose grant funding	2,093,913	(583,813)
Less: grants, subsidies and contributions - capital	(1,042,093)	(672,824)
Adjusted Operating surplus / (deficit)	1,710,402	(1,339,212)

Net outlays on existing assets

Capital expenditure on renewal and replacement of existing assets	(10,087,365)	(7,351,948)
Add back depreciation, amortisation and impairment	17,981,321	17,290,429
Add back proceeds from sale of replaced assets	488,701	350,704
	8,382,657	10,289,185

Net outlays on new and upgraded assets

Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(4,682,557)	(9,003,022)
Add back grants, subsidies and contributions - capital new/upgraded	1,042,093	672,824
Add back amounts received specifically for new and upgraded assets	1,074,766	2,238,834
	(2,565,698)	(6,091,364)

Annual net impact to financing activities (surplus/(deficit))	7,527,361	2,858,609
--	------------------	------------------

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Plant & Equipment

This category includes computer equipment and postage franking machine.

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

(a) Right of use assets

\$	Plant & Equipment	Total
2024		
Opening balance	7,923	7,923
Additions to right-of-use assets	–	–
Depreciation charge	(6,290)	(6,290)
Balance at 30 June	1,633	1,633
2023		
Opening balance	60,538	60,538
Additions to right-of-use assets	–	–
Depreciation charge	(52,615)	(52,615)
Balance at 30 June	7,923	7,923

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$	2024	2023
Balance at 1 July	8,318	59,101
Accretion of interest	92	983
Payments	(6,701)	(51,766)
Balance at 30 June	1,709	8,318
Classified as:		
Current	1,709	6,609
Non-current	–	1,709

The maturity analysis of lease liabilities is included in Note 13.

The Group had total cash outflows for leases of \$54,071.

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	6,290	46,748
Interest expense on lease liabilities	92	983
Expense relating to leases of low-value assets	2,305	2,305
Total amount recognised in profit or loss	8,687	50,036

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 17. Leases (continued)

(ii) Council as a lessor

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.

\$	2024	2023
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	544,223	527,848
Later than one year and not later than 5 years	1,233,005	200,049
More than 5 years	198,459	23,759
	<u>1,975,687</u>	<u>751,656</u>

Note 18. Superannuation

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

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (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. 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.

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 19. Interests in other entities

All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

\$	Council's Share of Net Income		Council's Share of Net Assets	
	2024	2023	2024	2023
Council's share of net income				
Joint ventures	(14,831)	43,969	284,141	377,616
Total Council's share of net income	(14,831)	43,969	284,141	377,616

((a)i) Joint ventures, associates and joint operations

(a) Carrying amounts

\$	Principal Activity	2024	2023
Eastern Waste Mgt Authority Inc.	Waste Collection Services	111,750	234,589
Eastern Health Authority Inc.	Environmental Health Services	172,391	143,027
Total carrying amounts - joint ventures and associates		284,141	377,616

Eastern Waste Mgt Authority Inc.

The Authority's primary purpose is to provide effective waste collection services for its Member Councils. The exact nature of the waste collection services are determined independently by each Council to meet the needs of their respective communities.

Eastern Health Authority Inc.

The Eastern Health Authority provides a wide range of environmental health services to the community in the eastern and inner northern suburbs of Adelaide. The Authority's main functions include provision of immunisation services, surveillance of food safety, sanitation and disease control, and licensing of supported residential facilities.

(b) Relevant interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2024	2023	2024	2023	2024	2023
Eastern Waste Mgt Authority Inc.	12.50%	19.83%	12.50%	19.83%	12.50%	14.28%
Eastern Health Authority Inc.	24.66%	24.79%	24.66%	24.79%	20.00%	20.00%

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 19. Interests in other entities (continued)

(c) Movement in investment in joint venture or associate

\$	Eastern Waste Mgt Authority Inc.		Eastern Health Authority Inc.	
	2024	2023	2024	2023
Opening Balance	234,589	168,555	143,027	144,291
Share in Operating Result	(46,250)	37,677	31,418	6,292
Share in Other Comprehensive Income	10,125	28,357	(1,304)	–
Adjustments to Equity	(86,714)	–	(750)	(7,556)
Council's equity share in the joint venture or associate	111,750	234,589	172,391	143,027

(d) Summarised financial information of the equity accounted business

Statement of Financial Position

Cash and Cash Equivalents	1,634,000	3,953,000	954,882	644,769
Inventory	63,000	43,000	–	–
Other Current Assets	1,082,000	746,000	187,908	271,901
Non-Current Assets	11,038,000	9,510,000	999,746	1,104,793
Total assets	13,817,000	14,252,000	2,142,536	2,021,463
Current Trade and Other Payables	1,229,000	1,266,000	198,870	121,916
Current Financial Liabilities	2,029,000	2,306,000	139,565	111,865
Current Provisions	1,011,000	871,000	289,788	285,083
Non-Current Financial Liabilities	8,546,000	8,490,000	782,210	881,032
Non-Current Provisions	108,000	136,000	33,030	44,614
Total liabilities	12,923,000	13,069,000	1,443,463	1,444,510
Net Assets	894,000	1,183,000	699,073	576,953

Statement of Comprehensive Income

Other Income	1,574,000	1,078,000	817,467	831,070
Grants, Subsidies and Contributions	–	–	–	–
Contributions from Constituent Councils	22,559,000	21,188,000	1,970,200	1,828,000
Interest Income	66,000	46,000	37,380	15,866
Total income	24,199,000	22,312,000	2,825,047	2,674,936
Employee Costs	8,492,000	7,476,000	1,847,846	1,881,592
Materials, Contracts & Other Expenses	13,123,000	12,184,000	636,970	571,267
Depreciation, Amortisation and Impairment	2,512,000	2,108,000	175,901	159,013
Finance Costs	442,000	354,000	36,923	37,681
Total expenses	24,569,000	22,122,000	2,697,640	2,649,553
Operating Result	(370,000)	190,000	127,407	25,383

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 19. Interests in other entities (continued)

(e) Share of joint operations expenditure commitments

Expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:

\$	2024	2023
Operating Expenditures Payable		
Not later than one year	276,130	419,540
Later than 5 years	—	—
	<u>276,130</u>	<u>419,540</u>

Note 20. Non-current assets held for sale and discontinued operations

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

Note 21. 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 reliable 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 **253.67** km of road reserves with average width **7.40** metres.

2. Potential insurance losses

Council is a multi-purpose organisation providing a large range of building, park 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. Trans Tasman Group Consultancy Fees

Proceedings have been filed in the Supreme Court against 61 Councils in South Australia, including Campbelltown City Council. The claim alleges unpaid consultancy fees. A joint defence is being coordinated by the Local Government Association of SA as agent for the Councils. The amount claimed has not been recognised on the basis that an outflow of economic resources to settle it is not viewed as probable at this stage.

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 21. Contingencies and assets/liabilities not recognised in the balance sheet

4. Legal expenses

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had 1 notice of appeal against planning decisions made prior to reporting date.

5. Cemeteries

Council operates two cemetery facilities. A contingent liability exists for the ongoing maintenance of these cemeteries. The liability remains until all existing site leases have expired.

Note 22. 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.

Note 23. Related party transactions

Key management personnel

Transactions with key management personnel

The Key Management Personnel (KMP) of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the *Local Government Act 1999*. In all, 28 persons (2023: 31 persons) were paid the following total compensation:

\$	2024	2023
----	------	------

The compensation paid to key management personnel comprises:

Short-term employee benefits	3,305,432	2,926,685
Total	3,305,432	2,926,685

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:

Contributions for Fringe Benefits Tax purposes by KMPs	8,517	8,742
Planning and Building Application Fees charged to entities controlled by close family members of KMPs	18,827	3,026
Total	27,344	11,768

Corporation of the City of Campbelltown

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 24. Retrospective Restatement of 2023 Comparative Data

Retrospective Restatement of 2023 Comparative Data

Nature of Retrospective Restatement

Change to Accounting Treatment of Historic Development Bonds

Approximately 30 years ago Council commenced a practice of taking bonds from developers for driveway invert and crossover construction associated with land divisions. This practice ceased around 2020 pursuant to legal advice.

Over time, the quantum of bonds collected became quite substantial. In the absence of developers claiming their bonds, Council accrued those amounts in its accounts as liabilities. In 2018, the monies retained and collected prior to 2012 was recognised as income instead of liabilities. Bonds taken from developers pursuant to the bonding practice post 2012 continued to be retained as liabilities.

During 2024, Council commenced a process to return unclaimed bonds to developers in accordance with the *Unclaimed Money Act 2021*. In 2025, any unclaimed bonds will be paid to Treasury.

Comparatives for 2023 have been restated to recognise the pre-2012 bonds as liabilities, with a corresponding adjustment to Accumulated Surplus.

Adjustments to the comparative figures for the year ended 30 June 2023

Statement of Financial Position

\$	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
Total assets	977,531,461	–	977,531,461
Deposits, Retentions and Bonds	374,173	362,192	736,365
Total liabilities	9,993,307	362,192	10,355,499
Balance at the End of Previous Reporting Period	790,595,028	(362,192)	790,232,836
Net Surplus/(Deficit) for Year	1,809,246	–	1,809,246
Total equity	967,538,154	(362,192)	967,175,962

HEAD OFFICE

214 Melbourne Street
North Adelaide SA 5006

PO Box 755
North Adelaide SA 5006

T: (08) 8267 4777
www.deannewbery.com.au

Dean Newbery
ABN: 48 007 865 081

Independent Auditor's Report

To the members of the Corporation of the City of Campbelltown

Opinion

We have audited the accompanying financial report of the Corporation of the City of Campbelltown (the Council), which comprises the statement of financial position as at 30 June 2024, statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

In our opinion, the financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the Australian Accounting Standards.

Basis for Opinion

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

Council's Responsibility for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

DEAN NEWBERY



SAMANTHA CRETEN
Director

20 November 2024

HEAD OFFICE

214 Melbourne Street
North Adelaide SA 5006

PO Box 755
North Adelaide SA 5006

T: (08) 8267 4777
www.deannewbery.com.au

Dean Newbery
ABN: 48 007 865 081

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE CORPORATION OF THE CITY CAMPBELLTOWN

Opinion

In our opinion, the Corporation of the City of Campbelltown (the Council) has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to the Internal Controls established by the Council relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2023 to 30 June 2024.

Basis for opinion

We have audited the Internal Controls of the Council under the requirements of *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2023 to 30 June 2024 have been conducted properly and in accordance with law.

We conducted our engagement in accordance with Standard on Assurance Engagements *ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and *ASAE 3150 Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

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

The Council's Responsibility for the Internal Controls

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

Our Independence and Quality Control

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

Assurance Practitioner's Responsibilities

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures have been conducted properly and in accordance with law.

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

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

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

Limitations of Controls

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

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

DEAN NEWBERY



SAMANTHA CRETEN

Director

20 November 2024

Corporation of the City of Campbelltown

General Purpose Financial Statements

for the year ended 30 June 2024

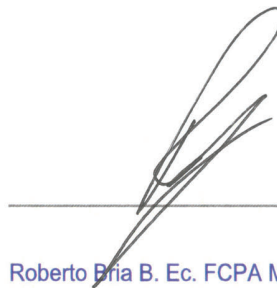
Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Campbelltown City Council for the year ended 30 June 2024, the Council's Auditor, Dean Newbery, 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*.



Paul Di Iulio
Chief Executive Officer



Roberto Bria B. Ec. FCPA MBA GAICD
Chairperson, Audit & Risk Advisory Committee

Date: 5 September 2024

HEAD OFFICE

214 Melbourne Street
North Adelaide SA 5006

PO Box 755
North Adelaide SA 5006

T: (08) 8267 4777
www.deannewbery.com.au

Dean Newbery
ABN: 48 007 865 081

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Corporation of the City of Campbelltown 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, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



SAMANTHA CRETEN

Director

DEAN NEWBERY

20 November 2024