



16 October 2023

Contact for apologies: [admin@fleurieuaquaticcentre.com.au](mailto:admin@fleurieuaquaticcentre.com.au)

Dear Member,

**Notice of Meeting**

Notice is hereby given pursuant to the Fleurieu Regional Aquatic Centre Authority Charter and Section 87(7) of the Local Government Act, 1999, as amended that a Meeting of the **Fleurieu Regional Aquatic Centre Authority** has been called for:

Date: Friday 20 October 2023

Time: 1:00 pm

Place: Encounter Room, City of Victor Harbor

Please find enclosed a copy of the Agenda for the meeting.

Yours faithfully



for

**Kellie Knight-Stacey**

Acting Executive Officer

**Date & Time:** Friday 20 October 2023 at 1:00 pm

**Location:** Encounter Room, City of Victor Harbor

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**1. Attendance**

- Steve Mathewson (Chairperson)
- Mark Easton (Independent Member)
- Vicki Tomlinson (Independent Member)
- Councillor Margaret Gardner (Alexandrina Council)
- Councillor Angela Schiller (City of Victor Harbor)

**2. Apologies**

**3. Conflict of Interest**

**4. Minutes of Previous Meeting**

- 4.1. Adoption of Minutes

**5. Business Arising**

- 5.1. Board Annual Work Plan

**6. Verbal Report**

- 6.1. Acting Executive Officer  
6.2. Chairperson (Confidential)

**7. Reports**

- 7.1. Audit and Risk Management Committee Minutes  
7.2. Audit Completion Report 2022-2023  
7.3. Audited Financial Statements 2022-2023  
7.4. Report on Financial Results – Budget v Actuals  
7.5. FRACA Annual Report 2022-2023  
7.6. Treasury Report

**8. Confidential Reports**

- 8.1. Audit and Risk Management Committee Confidential Minutes  
8.2. Executive Structure Review

**9. Meeting Close**

**10. Next Meeting – TBC**

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**To:** FRAC Authority Board  
**From:** Kellie Knight-Stacey – Acting Executive Officer  
**Subject:** 4.1 Adoption of Minutes  
**Date:** 20 October 2023  
**References:** Nil  
**Consultation:** Nil  
**Attachments:** Nil

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## **Purpose**

The purpose of this report is to adopt the minutes of the meeting held by the Board on 8 September 2023.

## **Discussion**

Public minutes of the Board meeting held 8 September 2023 were published on the Authority website, with a confidential version provided directly to Board members for their information and review on 13 September 2023.

## **Recommendation**

*That the Authority Board adopt the minutes of the Board meeting held on 8 September 2023.*

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**To:** FRAC Authority Board

**From:** Kellie Knight-Stacey – Acting Executive Officer

**Subject:** 5.1 Board Annual Work Plan

**Date:** 20 October 2023

**References:** Nil

**Consultation:** Nil

**Attachments:** 5.1a Board Annual Work Plan 2023

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## Purpose

The purpose of this report is to provide the Board with the updated Annual Work Plan for 2023 and consider activity for completion from the 3 Year Business Plan for 2023.

## Background

The Annual Work Plan provides an annual schedule for the Executive Officer and Board, documenting a plan for the delivery of key activities in each calendar year. The plan is continuously updated and presented at each Board meeting to track completion and document amendments.

At the meeting held 8 September, a revised Work Plan and 3 Year Business Plan activity schedule was presented to the Board with the following resolved:

*The Authority Board:*

- *receive and note the updated Authority Board Annual Work Plan 2023 and 3-year Business Plan summary actions for 2023/2024; and*
- *endorse the actions recommended for continuation with all others placed on hold pending the outcome of the Executive Structure Review, subject to the inclusion of any required recruitment activity of the Authority.*

## Discussion

The Annual Work Plan has been further updated as follows:

- Six items programmed for this agenda have been completed.
- Four items have been deferred to the November meeting due to resourcing and challenges with the completion of the 2022/23 Financial Statements.

The updated Annual Work Plan is provided at Attachment 5.1a.

## Recommendation

*That the Authority Board receive and note the updated Authority Board Annual Work Plan.*



# Fleurieu Regional Aquatic Centre Authority

## Annual Work Plan 2023/2024

[illegible]

# Fleurieu Regional Aquatic Centre Authority

## Annual Work Plan 2023/2024

[illegible]

**To:** FRAC Authority Board

**From:** Kellie Knight-Stacey – Acting Executive Officer

**Subject:** 7.1 Audit and Risk Management Committee Minutes

**Date:** 20 October 2023

**References:** Nil

**Consultation:** Nil

**Confidential** 7.1a Unconfirmed A&RMC Minutes – 3 October 2023

**Attachments:**

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## **Purpose**

The purpose of this report is to provide the Board with a copy of the confidential minutes of the meeting held for the Audit & Risk Management Committee on 3 October 2023.

## **Discussion**

The minutes of the Audit & Risk Management Committee meeting held on 3 October 2023 contain recommendations to the Authority Board which have been incorporated in separate reports as appropriate in the Board agenda.

## **Recommendation**

*The Authority Board note and accept the unconfirmed minutes of the Audit and Risk Management Committee meeting held on 3 October 2023.*

## Audit & Risk Management Committee

**Date & Time:** Tuesday 3 October 2023, 2.00 pm  
**Location:** Governance Meeting Room, Alexandrina Council

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**Meeting Opened:** 2.05 pm

### 1. Present

Peter van der Eijk	Independent Chairperson
Vicki Tomlinson	Independent Member
Claudia Goldsmith	Independent Member
Stephanie Juhas	Team Leader Management Accounting, City of Victor Harbor

### In Attendance

Kellie Knight-Stacey	Acting Executive Officer, FRACA
Danielle Leckie	Administration Officer, FRACA
Samantha Creten	Dean Newbery
Anton Bure	Dean Newbery

### 2. Apologies

Trish Kirkland	General Manager Resources, Alexandrina Council
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### 3. Conflicts of Interest

Nil

### 4. Minutes of Previous meeting

#### 4.1. A&RMC Minutes

Motion: ARMC00262  
Moved: Vicki Tomlinson  
Seconded: Stephanie Juhas

*The Audit & Risk Management Committee endorse the minutes of the meeting held 23 May 2023.*

**CARRIED**

### 5. Business Arising

#### 5.1. A&RMC Annual Work Plan 2023

Motion: ARMC0263  
Moved: Claudia Goldsmith  
Seconded: Stephanie Juhas

- 1. That the Audit and Risk Management Committee receive and note the updated Board Annual Work Plan 2023 as presented at Attachment 5.1a.*
- 2. That the Audit and Risk Management Committee:*
  - i. receive and note the updated ARMC Annual Work Plan 2023 as presented at Attachment 5.1b; and*
  - ii. endorse the actions recommended for continuation with all others placed on hold pending the outcome of the Executive Structure Review.*

3. *That the Audit and Risk Management Committee receive and note the 2023 ARMC Self-Assessment survey for completion prior to the next ARMC meeting scheduled in October 2023.*

**CARRIED**

## **6. Verbal Report**

Motion: ARMC00264  
Moved: Vicki Tomlinson  
Seconded: Claudia Goldsmith

*The Audit and Risk Management committee receive and note the verbal report as provided by the Executive Officer.*

**CARRIED**

## **7. Reports**

### **7.1. Audit Completion Report 2022/2023**

Motion: ARMC00265  
Moved: Claudia Goldsmith  
Seconded: Vicki Tomlinson

1. *The Audit and Risk Management Committee receives and notes the 2022/2023 Audit Completion Report;*
2. *The Audit and Risk Management Committee provides the following feedback to the Board:*
  - a. *The Auditors reported that the audit was challenging due to identified misstatements, lack of balance sheet reconciliation and lack of review of journal entries throughout the financial year 2022/2023;*
  - b. *A new Auditor will need to be appointed for the financial year 2023/2024.*

**CARRIED**

### **7.2. Audited Financial Statements 2022/2023**

Motion: ARMC00266  
Moved: Claudia Goldsmith  
Seconded: Stephanie Juhas

1. *The Audit and Risk Management Committee advises the Board that it has reviewed the audited financial statements of the Fleurieu Regional Aquatic Centre Authority for the financial year ended 30 June 2023 and is satisfied that they present fairly the state of affairs of the Authority.*
2. *The Audit and Risk Management Committee recommends that the Board:*
  - i. *adopt the Fleurieu Regional Aquatic Centre Authority Annual Financial Statements 2022/2023 as amended; and*
  - ii. *authorises the Board Chairperson and Acting Executive Officer to sign the Certification of the amended Financial Statements on behalf of the Authority.*

## **CARRIED**

### 7.3. Report on Financial Results 2022/2023

Motion: ARMC00267  
Moved: Stephanie Juhas  
Seconded: Vicki Tomlinson

*That the Audit and Risk Management Committee receives and notes the 2022/2023 Budget v Actuals analysis and advises the Board that it is satisfied with the explanations for material variances.*

## **CARRIED**

### 7.4. FRACA Annual Report 2022/2023

Motion: ARMC00268  
Moved: Claudia Goldsmith  
Seconded: Stephanie Juhas

1. *The Audit and Risk Management Committee recommends that the Authority Board:*
  - i. *adopt the FRACA Annual Report 2022/2023 as reviewed and amended by the Committee on 3 October 2023; and*
  - ii. *authorise the Executive Officer to make any immaterial changes required prior to submission to Constituent Councils; and*
  - iii. *request the Executive Officer prepare the appropriate documents for submission of the FRACA Annual Report 2022/2023 to Constituent Councils once endorsed by the Authority Board in accordance with the Authority Charter.*

## **CARRIED**

### 7.5. Treasury Report

Motion: ARMC00269  
Moved: Vicki Tomlinson  
Seconded: Claudia Goldsmith

*The Audit and Risk Management Committee receives and notes the report on Treasury Management performance.*

## **CARRIED**

## **8. Confidential Reports**

### 8.1. Strategic Risk Management Framework

Motion: ARMC00270  
Moved: Claudia Goldsmith  
Seconded: Stephanie Juhas

*Pursuant to section 90(2) of the Local Government Act 1999, the Committee orders that all members of the public be excluded, with the exception of the Acting Executive Officer, Kellie Knight-Stacey, and FRACA Administration Officer, Danielle Leckie, on the basis that it will receive and consider item 8.1 Strategic Risk Management Framework.*

*The Committee is satisfied, pursuant to section 90(3)(d) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:*

*commercial information of a confidential nature (not being a trade secret) the disclosure of which –*

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
- (ii) would, on balance, be contrary to the public interest.*

*Accordingly, the Committee is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential to prevent the disclosure of commercial information of a confidential nature (not being a trade secret) as it includes information relating to the commercial operations of the YMCA.*

## **CARRIED**

### **8.2. Management Agreement**

Motion: ARMC00272  
Moved: Claudia Goldsmith  
Seconded: Stephanie Juhas

*Pursuant to section 90(2) of the Local Government Act 1999, the Committee orders that all members of the public be excluded, with the exception of the Acting Executive Officer, Kellie Knight-Stacey, and Administration Officer, Danielle Leckie, on the basis that it will receive and consider item 8.2 Management Agreement.*

*The Committee is satisfied, pursuant to section 90(3)(d) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:*

*commercial information of a confidential nature (not being a trade secret) the disclosure of which –*

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
- (ii) would, on balance, be contrary to the public interest.*

*Accordingly, the Committee is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential as it includes information that may prejudice the commercial position of the Authority.*

## **CARRIED**

### 8.3. Executive Structure Update

Motion: ARMC00274  
Moved: Claudia Goldsmith  
Seconded: Stephanie Juhas

*Pursuant to section 90(2) of the Local Government Act 1999, the Committee orders that all members of the public be excluded, with the exception of the Acting Executive Officer, Kellie Knight-Stacey, and FRACA Administration Officer, Danielle Leckie, on the basis that it will receive and consider item 8.3 Executive Structure Update.*

*The Committee is satisfied, pursuant to section 90(3)(d) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:*

*commercial information of a confidential nature (not being a trade secret) the disclosure of which –*

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
- (ii) would, on balance, be contrary to the public interest.*

*Accordingly, the Committee is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential as it includes information that may prejudice the commercial position of the Authority.*

### **CARRIED**

**9. Next Meeting: TBC**

**10. Meeting Closed: 4.31 pm**

It should be noted that in accordance with the legal advice received by the Authority dated 26 August 2020, all reports, minutes, attachments, and associated documents from items deliberated by the Authority in confidence, will automatically remain in confidence in perpetuity, unless a resolution of the Board is made to release such items. Items may also be removed from confidence under delegation. At the conclusion of each agenda item that is considered by the Authority in confidence, the default position is for the return to open / public meeting, until such time as a further resolution is made to return to confidential meeting procedures.



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**To:** FRAC Authority Board  
**From:** Kellie Knight-Stacey – Acting Executive Officer  
**Subject:** 7.2 Audit Completion Report 2022/2023  
**Date:** 20 October 2023  
**References:** Nil  
**Consultation:** Nil  
**Attachments:** 7.2a Audit Completion Report 2023

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## Purpose

The purpose of this report is to provide the Board with the Audit Completion Report for the year ended 30 June 2023.

## Background

At the completion of 2022 Audit, the following items were noted as matter to be addressed in future financial years:

- Revaluation of Infrastructure, Property, Plant and Equipment in 2022/2023; and
- Update to the Asset Management Plan and Long-Term Financial Plan.

With the Revaluation of assets completed in early 2023, the Authority is currently working towards completion of its Asset Management Plan and Long-Term Financial Plan.

## Discussion

Dean Newbery has undertaken the external audit for the Authority for the 2022/2023 financial year and attended a meeting of the Audit & Risk Management Committee on 3 October 2023 to present the Audit Completion Report (attachment 5.1a) where the following was resolved:

1. *The Audit and Risk Management Committee receives and notes the 2022/2023 Audit Completion Report;*
2. *The Audit and Risk Management Committee provides the following feedback to the Board:*
  - i. *The Auditors reported that the audit was challenging due to identified misstatements, lack of balance sheet reconciliation and lack of review of journal entries throughout the financial year 2022/2023;*
  - ii. *A new Auditor will need to be appointed for the financial year 2023/2024.*

In line with a recommendation by the Board and following the conclusion of financial services provision by Alexandrina Council on 30 September 2023, LGiQ has been engaged to support the Authority with their financial management requirements.

This will ensure that there is sufficient capacity to undertake financial transactions regularly for the Authority and address concerns raised by the Auditor for the 2022/2023 financial year. It is anticipated that the Authority will be presented with extra costs by both the Auditor and Alexandrina Council for the work required to complete the external audit process which are currently not accounted for in the budget.

The audit completion report provides that “*subject to finalisation of the outstanding matters outlined within this report, our audit opinion for financial year ended 30 June 2023 is expected to be issued as an unmodified audit report*”.

The outstanding matters and their status are as follows:

1. A review of subsequent events since 30 June 2023.  
This has been undertaken and discussed with the Audit and Risk Committee. There are no matters identified for disclosure as part of the 2022/23 result.
2. Provision of certified financial statements.  
Subject to the Boards endorsement of officers authorised to certify the statements within this agenda, the certified statements will be provided to the auditors for finalisation.
3. Receipt of the signed Management Representation Letter.  
The Management Representation Letter is included within this agenda for review and endorsement to provide to the auditors.

### **Recommendation**

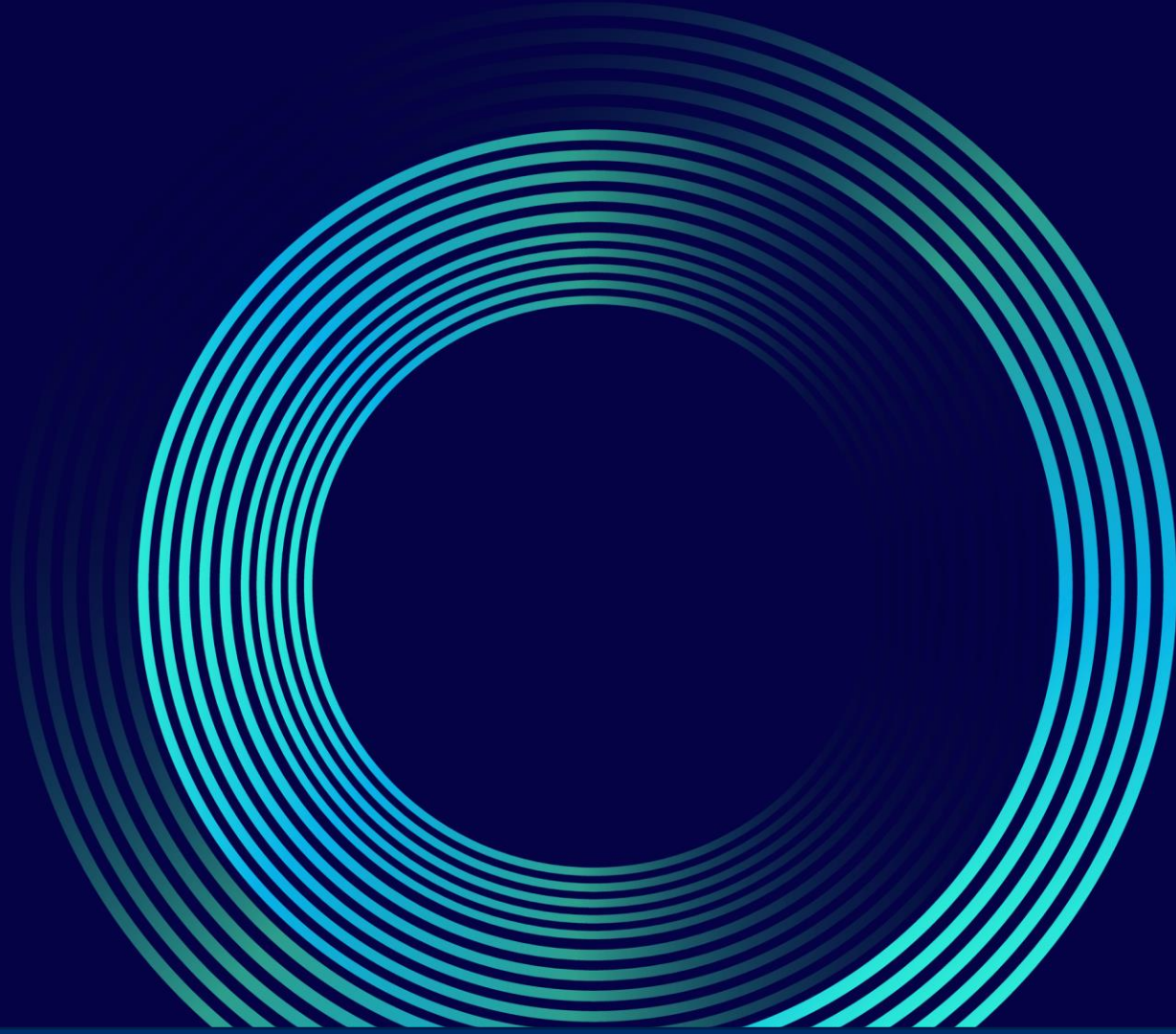
*That the Authority Board;*

- *receive and note the Audit Completion Report 2022/2023;*
- *note the Audit and Risk Management Committee’s feedback;*
- *note the external Auditors recommendation relating to ensuring appropriate internal financial controls for the management of FRACA financials and that IgiQ are now engaged to manage financial requirements for the Authority;*
- *authorise the Acting Executive Officer to further discuss the associated extra costs of the Audit with Alexandrina Council if applicable; and*
- *note the need to appoint a new auditor for the 2023/2034 financial year, once outcomes of the Executive Structure Review are known.*

# Audit Completion Report

Year Ended 30 June 2023

Fleurieu Regional Aquatic Centre Authority  
(FRACA)



# Executive Summary

20 September 2023

Mr Peter van der Eijk  
Chairperson of Audit and Risk Management Committee  
Fleurieu Regional Aquatic Centre Authority

Dear Mr van der Eijk

This report has been prepared for the Audit and Committee of the Fleurieu Regional Aquatic Centre Authority (the Authority) in relation to the 30 June 2023 external audit.

The purpose of this report is to provide members of the Audit and Risk Management Committee and those charged with governance of the Authority a summary of the significant matters that have arisen from our audit which we believe covers material matters dealt within our work completed.

We are pleased to advise that subject to finalisation of the outstanding matters outlined within this report, our audit opinion for financial year ended 30 June 2023 is expected to be issued as an unmodified audit report.

I would like to take this opportunity to thank the Administration for the assistance provided throughout the year.

Your sincerely  
**DEAN NEWBERY**



**Samantha Creten**  
Director

# Executive Summary

## Scope

The audit procedures have been designed and carried out by the audit team in accordance with Australian Auditing Standards and per the audit scope prescribed under the *Local Government Act 1999* and applicable Regulations for the financial year ended 30 June 2023.

## Independence

In accordance with our professional ethical requirements, we confirm that, for the audit of the Authority for the financial year ended 30 June 2023, all members of our audit team have maintained their 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 and in accordance with *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

## Audit Status

All requested audit adjustments have been processed and disclosures within the financial report appropriately modified based on audit testing completed.

All requested information has been provided by the Administration during the course of the audit.

Subject to the finalisation of the matters outlined in this report, our audit opinion for the financial year ended 30 June 2023 will be signed without reference to any qualification.

## Outstanding Matters

All requested audit adjustments have been processed and disclosures within the financial report appropriately modified based on audit testing completed.

Subject to the following work being satisfactorily completed, we expect an unmodified audit opinion to be issued for the financial year:

- Undertake a review of subsequent events since 30 June
- Obtain certified financial statements as required
- Receipt of the signed Management Representation Letter

## Fraud & Litigation

As part of our audit we have discussed with the Administration's management staff;

- The safeguards in place in relation to the prevention and detection of fraud
- The existence of any fraud
- The existence of any litigation and claims.

We have not become aware of any matter which should be brought to the Board or Audit and Risk Committee's attention

# Materiality

An item is considered material to the financial statements if, through its omission or non-disclosure, the financial statements would no longer show a true and fair view to the users of the financial statements. Materiality is set at the outset of planning to ensure that an appropriate level of audit work is planned. It is then used throughout the audit process in order to assess the impact of any item on the financial statements.

Any identified errors or differences are investigated and are recorded on a schedule of potential misstatements. These are assessed individually and in aggregate, discussed with the Administration and Audit and Risk Committee to further clarify the proposed treatment and/or disclosure of the matter.

Should the matter remain unadjusted and signed off by the Authority's Administration in their letter of representation to us, confirming that in the Audit and Risk Committee view also that the matter(s) are immaterial to the financial statements, an item of low value may still be judged material by its nature.

An item of higher value may also be judged not material if it does not distort the accuracy and/or fairness of the financial statements.

# Summary of Misstatements

There remain no misstatements that have not been adjusted by the Administration that have been identified during the course of our audit or that in our assessment, require to be reported to Authority's Audit and Risk Committee.

Any misstatements, either individually or in aggregate, that are considered to be immaterial, have not been reported and regarded as being minor in the context of the financial report as a whole.

All requested audit adjustment have been processed within the financial report appropriately modified based on audit testing completed.

Subject to all matters being appropriately completed as outlined in this report, we anticipate to be issuing an unqualified audit opinion on the financial statements (Section 129(1)(a) audit opinion).

# Summary of Misstatements cont.

Matter No.	Description	Operating Surplus / (Deficit)	Net Surplus/(Deficit)	Assets Dr/(Cr)	Liabilities Dr/(Cr)	Equity Dr/(Cr)	Status of Matter
1.	Identified misstatements in posting of depreciation expense and valuation movements compared to fixed asset register and external asset valuation reports.	(152,567)	(152,567)	148,621	-	(148,621)	Corrected
2.	Accruals not reversed from prior financial year (FY2022). Journals posted to reverse prior period accruals.	17,463	17,463	-	17,463	17,463	Corrected
3.	Testing identified that interim period accrual entries (e.g. journals recorded between 1 July 2022 – 30 June 2023) had not been reversed and therefore expenses were recorded twice. Reversal of interim period accruals recorded to correct this matter.	38,699	38,699	-	38,699	38,699	Corrected
4.	Expenses payments were incorrectly recorded in accrual accounts on the Balance Sheet which were corrected so as to be reflected in the correct expense account on the Statement of Comprehensive Income.	(22,391)	(22,391)	-	(22,391)	(22,391)	Corrected
5.	Credit note received in January 2023 which found not to be processed and corrected as at 30 June 2023 and applied against the appropriate supplier.	17,258	17,258	17,258	-	17,258	Corrected
Summary Corrected Misstatements		(101,538)	(101,538)	165,879	33,771	(97,592)	
Summary Uncorrected Misstatements		-	-	-	-	-	

# Key Audit Matters Considered

As part of our audit planning process we identified key audit and accounting matters that were considered and tested during the course of the audit which represented areas of identified risk where material misstatements could occur.

As a result of the work we have recently completed, we have provided further detail below of the key audit matters and the outcomes from our testing completed.

Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
Management override of internal controls	<ul style="list-style-type: none"><li>• Review and observation of controls in operation to assess whether controls are operating effectively as intended throughout the period.</li><li>• Perform analytical reviews and recalculation of transactions.</li></ul>	<p>The Authority was unable to provide accurate reconciliations for Balance Sheet ledger accounts on commencement of the Audit. Audit procedures identified misstatements which had not been identified and corrected thought the course of the financial year.</p> <p>We recommend the Authority prepare a documented schedule/checklist which outlines the required frequency of general ledger reconciliation for all applicable ledger accounts as well as the responsible officer for preparing and reviewing each reconciliation activity.</p>
Infrastructure, Property, Plant & Equipment	<ul style="list-style-type: none"><li>• Reviewed Note 6 Infrastructure, Property, Plant &amp; Equipment movements against General Ledger and relevant asset registers.</li><li>• Reviewed the reclassification and updated componentisation methodology applied to revalued assets.</li><li>• Recognition and recording of Land asset within the valuation.</li></ul>	<p>Corrections relating to the recording of the asset valuation movement and depreciation expense have been noted in the Summary of Misstatement and have all been corrected.</p> <p>Additional disclosures relating to the application of the valuation information and the estimated impact on depreciation expense has been recorded in Note 6.</p>
Young Men's Christian Association of South Australia Inc (YMCA) Income and Expenditure	<ul style="list-style-type: none"><li>• Review independent Audit Report issued by William Buck in respect of the special purpose financial report prepared by the YMCA.</li><li>• Consulted with William Buck to determine appropriate materiality threshold for special purpose financial reports.</li></ul>	<p>William Buck issued an unmodified Audit Opinion of the special purpose financial report. Reliance has been placed on the Audited Profit and Loss Report as appropriate audit evidence.</p>



# Draft Audit Report

## INDEPENDENT AUDITOR'S REPORT

To the members of the Fleurieu Regional Aquatic Centre Authority

### Report on the Audit of the Financial Report

#### Opinion

We have audited the accompanying financial report of the Fleurieu Regional Aquatic Centre Authority (the Authority), which comprises the Statement of Financial Position as at 30 June 2023, the Statement of Comprehensive Income, the Statements 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 accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the Local Government Act 1999, Local Government (Financial Management) Regulations 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 Authority 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 (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.

#### Responsibility of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the Authority's financial report in accordance with Australian Accounting Standards, the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011, and for such controls as Management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

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

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

# Draft Audit Report (Cont.)

## 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the management'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 Authority'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 Authority 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**

Signed on the      day of      2023.

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Dean Newbery

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**Dean**Newbery

**To:** FRAC Authority Board  
**From:** Kellie Knight-Stacey - Acting Executive Officer  
**Subject:** 7.3 Audited Financial Statements 2022-2023  
**Date:** 20 October 2023  
**References:** Nil  
**Consultation:** Nil  
**Attachments:** 7.3a FRACA 2022-2023 Audited Financial Statements  
 7.3b Management Representation Letter

## Purpose

The purpose of this report is to provide the Board with the Audited Financial Statements and Management Representation Letter for the year ended 30 June 2023.

## Discussion

The Audited 2022-2023 Financial Statements have been prepared by Alexandrina Council under the Support Services agreement and reviewed as part of the external Audit process. The following provides a high-level summary of significant income /expense items and comparison to 2021-2022:

Description	2021/2022	2022/2023	Variance	Comments
<b>INCOME</b>				
User Charges	1,828,655	2,018,850	10.4%	Increase usage and fees
Council Contributions	870,883	996,658	14.4%	Increased electricity costs
Investments	4,632	20,172	335%	Interest on funds in reserve
<b>EXPENSE</b>				
Employee Costs	42,720	30,243	(29.2%)	Position vacant from Mar 2023
Materials, Contracts and Other Expenses	2,650,148	3,009,374	13.5%	Increased electricity costs and reactive maintenance
Depreciation	689,657	536,953	(22.1%)	Revaluation in 2022

The Net Operating Deficit is \$535,269 similar to the depreciation amount of \$536,953 (\$1,684 variance). This is in line with the Constituent Council's resolution to treat depreciation through equity adjustments rather than funding the expense.

The model financial statements require certification to finalise prior to auditor sign off. This requires authorisation from the Board, and it is recommended that the Chairperson and Acting Executive Officer be provided approval to certify the statements. The certification can be found on page one of the draft 2022-2023 Financial Statements.

Dean Newbery, as the appointed auditor, conducted the annual audit of the Authority for the year ending 30 June 2023 and attended a meeting of the Audit and Risk Management Committee on 3 October 2023 to present the Audited Financial Statements. The report was considered by the Committee and the following resolved:

- 1. The Audit and Risk Management Committee advises the Board that it has reviewed the audited financial statements of the Fleurieu Regional Aquatic Centre Authority for the financial year ended 30 June 2023 and is satisfied that they present fairly the state of affairs of the Authority.*
- 2. The Audit and Risk Management Committee recommends that the Board:*
  - i. adopt the Fleurieu Regional Aquatic Centre Authority Annual Financial Statements 2022-2023 as amended; and*
  - ii. authorises the Board Chairperson and Acting Executive Officer to sign the Certification of the amended Financial Statements on behalf of the Authority.*

Amendments to the FRACA Audited Financial Statements 2022-2023 have been made in accordance with the Committee's request. The changes relate to format, spelling and wording of disclosures and have no material impact on the statements or financial result.

The 2022-23 Financial Statements are provided at Attachment 7.3a.

Auditing Standard ASA580 (Written Representations) requires that a letter be prepared for issue to the lead auditor. This letter includes a range of assurances to assist the external auditor form an opinion on the Authority's Financial Statements, in particular, whether they present a fair and accurate view of the Authority's financial position at the reporting date.

In summary, the letter provides assurances that the statements:

- are free from material misstatements.
- have been prepared with regard to relevant legislation.
- Provide key disclosures and explanations where necessary.

A copy of the draft Management Representation Letter is provided at Attachment 7.3b.

## **Recommendation**

*That the Authority Board:*

- *receive and note the Fleurieu Regional Aquatic Centre Authority Annual Financial Statements 2022-2023;*
- *receive and note the Management Representation Letter;*
- *authorise the Chairperson and Acting Executive Officer to sign the Certification of Financial Statements on behalf of the Authority.*

**Fleurieu Regional Aquatic  
Centre Authority**

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

**Fleurieu Regional Aquatic Centre Authority**  
**General Purpose Financial Reports**  
**for the year ended 30 June 2023**

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**Fleurieu Regional Aquatic Centre Authority**  
**Annual Financial Statements**  
**for the year ended 30 June 2023**

**CERTIFICATION OF FINANCIAL STATEMENTS**

**We have been authorised by the Fleurieu Regional Aquatic Centre Authority 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 Authority's financial position at 30 June 2023 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.

.....  
**Steve Mathewson**  
**CHAIR PERSON**

.....  
**Kellie Knight-Stacey**  
**ACTING EXECUTIVE OFFICER**

**Date:**

**Date:**



**Fleurieu Regional Aquatic Centre Authority**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2023**

		2023	2022
	Notes		
<b>INCOME</b>			
User charges	2	2,018,850	1,828,655
Grants, subsidies and contributions - Operating	2	997,658	870,883
Investment income	2	20,172	4,632
Reimbursements	2	275	-
Other income	2	4,346	-
<b>Total Income</b>		<u>3,041,301</u>	<u>2,704,170</u>
<b>EXPENSES</b>			
Employee costs	3	30,243	42,720
Materials, contracts & other expenses	3	3,009,374	2,650,148
Depreciation, amortisation & impairment	3	536,953	689,657
<b>Total Expenses</b>		<u>3,576,570</u>	<u>3,382,525</u>
<b>OPERATING DEFICIT</b>		<u>(535,269)</u>	<u>(678,355)</u>
Asset disposal	4	-	(26,976)
Amounts received specifically for new or upgraded assets	2	-	20,322
<b>NET DEFICIT</b>		<u>(535,269)</u>	<u>(685,009)</u>
<b>Other Comprehensive Income</b>			
Changes in revaluation surplus - IPP& E	8	12,241,477	-
<b>Total Other Comprehensive Income</b>		<u>12,241,477</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>11,706,208</u>	<u>(685,009)</u>

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

**Fleurieu Regional Aquatic Centre Authority**  
**Statement of Financial Position**  
**as at 30 June 2023**

		2023	2022
<b>ASSETS</b>	<b>Notes</b>		
<b>Current Assets</b>			
Cash and cash equivalents	5	723,096	687,900
Trade & other receivables	5	10,623	158,619
<b>Total Current Assets</b>		<u>733,719</u>	<u>846,519</u>
<b>Non-current Assets</b>			
Infrastructure, property, plant & equipment	6	29,332,194	17,590,407
<b>Total Non-Current Assets</b>		<u>29,332,194</u>	<u>17,590,407</u>
<b>Total Assets</b>		<u>30,065,913</u>	<u>18,436,926</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	7	112,241	189,462
<b>Total Current Liabilities</b>		<u>112,241</u>	<u>189,462</u>
<b>Total Liabilities</b>		<u>112,241</u>	<u>189,462</u>
<b>NET ASSETS</b>		<u>29,953,672</u>	<u>18,247,464</u>
<b>EQUITY</b>			
Accumulated deficit		(3,356,366)	(2,821,097)
Asset revaluation reserves	8	12,241,477	-
Capital contribution		21,068,561	21,068,561
<b>TOTAL EQUITY</b>		<u>29,953,672</u>	<u>18,247,464</u>

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

**Fleurieu Regional Aquatic Centre Authority**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2023**

		Accumulated	Asset	Capital	Total
		Surplus	Revaluation	Contributions	Equity
	Notes		Reserve		
<b>2023</b>					
Balance at end of previous reporting period		(2,821,097)	-	21,068,561	18,247,464
<b>Net Deficit for Year</b>		<b>(535,269)</b>	<b>-</b>	<b>-</b>	<b>(535,269)</b>
<b>Other Comprehensive Income</b>					
Gain on revaluation of infrastructure, property, plant & equipment		-	12,241,477	-	12,241,477
<b>Balance at end of period</b>	<b>8</b>	<b>(3,356,366)</b>	<b>12,241,477</b>	<b>21,068,561</b>	<b>29,953,672</b>
		Accumulated	Asset	Capital	Total
		Surplus	Revaluation	Contributions	Equity
<b>2022</b>					
Balance at end of previous reporting period		(2,136,088)	-	21,068,561	18,932,473
<b>Net Deficit for Year</b>		<b>(685,009)</b>	<b>-</b>	<b>-</b>	<b>(685,009)</b>
<b>Balance at end of period</b>	<b>8</b>	<b>(2,821,097)</b>	<b>-</b>	<b>21,068,561</b>	<b>18,247,464</b>

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

**Fleurieu Regional Aquatic Centre Authority**  
**Statement of Cash Flows**  
**for the year ended 30 June 2023**

		2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Notes</b>		
<b>Receipts:</b>			
User charges		2,166,180	1,754,944
Investment receipts		18,495	4,632
Grants utilised for operating purposes*		997,658	870,883
Reimbursements		275	-
Other revenues		-	(6,688)
<b>Payments:</b>			
Employee costs		(30,243)	(45,893)
Materials, contracts & other expenses		(3,079,906)	(2,567,202)
Finance payments		-	(30,234)
<b>Net Cash used in (provided by) Operating Activities</b>		<b>72,459</b>	<b>(19,558)</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Receipts:</b>			
Amounts specifically for new or upgraded assets		-	20,322
<b>Payments:</b>			
Expenditure on renewal/replacement of assets		(2,111)	(25,719)
Expenditure on new/upgraded assets		(35,152)	(36,268)
<b>Net Cash used in Investing Activities</b>		<b>(37,263)</b>	<b>(41,665)</b>
 <b>Net Increase / (decrease) in cash held</b>		<b>35,196</b>	<b>(61,223)</b>
 Cash & cash equivalents at beginning of period	5	<b>687,900</b>	749,123
<b>Cash &amp; cash equivalents at end of period</b>	<b>5</b>	<b>723,096</b>	687,900

\*Grants utilised for operating purposes includes Constituent Council contributions of \$996,658.

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

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 1 - Significant Accounting Policies**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**1 Basis of Preparation**

**1.1 Compliance with Australian Accounting Standards**

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

**1.2 Historical Cost Convention**

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

**1.3 Critical Accounting Estimates**

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

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

**1.4 Rounding**

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

**2 The Local Government Reporting Entity**

The Fleurieu Regional Aquatic Centre Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Alexandrina Council and City of Victor Harbor.

The Authority was established on 6 August 2015 in accordance with Section 43 of the Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999. These financial statements have been prepared for use by the constituent Council's of the Authority.

**3 Income recognition**

**3.1 Revenue**

The Authority 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 Authority expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when Authority 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 Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**  
**Note 1 - Significant Accounting Policies**

**4 Cash, Cash Equivalents and Other Financial Instruments**

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

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.

**5 Infrastructure, Property, Plant & Equipment (IPP& E)**

**5.1 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 Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

**5.2 Materiality**

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 6. No capitalisation threshold is applied to the acquisition of

Materiality levels for capitalisation are set at:

Furniture, Fittings and Minor Equipment	\$1,000
Plant and Major Equipment	\$5,000
Buildings	\$5,000
Infrastructure	\$5,000

**5.3 Subsequent Recognition**

An item that qualifies for recognition as an asset shall be measured at its cost on the date of recognition. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition and all other costs incurred in getting the asset ready for use. Where an asset is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition. The following years after asset recognition the asset will be valued at fair value according to the revaluation program as determined.

**5.4 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 the Authority, 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 on a maximum five-year cycle or by exception when required.

Major depreciation periods (useful lives) for each class of asset are listed below:

Buildings & Other Structures	7 - 40 years
Furniture & Fittings	2 - 40 years
Plant & Equipment	6 - 40 years
Infrastructure	12 - 40 years

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 1 - Significant Accounting Policies**

**5.5 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 the Authority were deprived thereof, are not subject to impairment.

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 the Asset Revaluation Reserve, any excess being recognised as an expense.

**6 Payables**

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

**7 Employee Benefits**

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

No accrual is made for sick leave as Authority 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. Authority does not make payment for untaken sick leave.

**8 Superannuation**

The Authority makes employer superannuation contributions in respect of its employee's choice of superannuation. The Authority had no employees at 30 June 2023.

**9 Constituent Council Contributions**

The City of Victor Harbor and Alexandrina Council funded the construction of the Fleurieu Aquatic Centre facilities and purchased all plant and equipment for the Aquatic Centre. Each Council contributed 50% towards the cost of construction of the facility and purchase of the equipment. Both Councils transferred these assets to the Authority on 17 March 2017, as an equity contribution.

The Authority for 2018/19 received contributions from Constituent Councils towards net operating deficits excluding depreciation expense for the facility. The Constituent Councils during 2018/19 resolved not to cash fund depreciation expense for the Authority. As a result the Authority expects operating deficits close to the depreciation expense for future years.

**10 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
- 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.

**11 New and amended standards and interpretations**

There were no new accounting standards implemented during the financial year. There are no proposed changes in future accounting standards, interpretations or guidance statements which are expected to have a material impact on the accounting policies of the Authority in future periods as at the time of preparing the financial statements.

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 2 - INCOME**

	2023	2022
<b>USER CHARGES</b>		
Fleurieu Aquatic Centre Income	2,018,850	1,828,655
	<u>2,018,850</u>	<u>1,828,655</u>
<b>INVESTMENT INCOME</b>		
Interest on investments:		
Local Government Finance Authority	20,154	4,541
Banks & other	18	91
	<u>20,172</u>	<u>4,632</u>
<b>REIMBURSEMENTS</b>		
Other	275	-
	<u>275</u>	<u>-</u>
<b>OTHER INCOME</b>		
Sundry	4,346	-
	<u>4,346</u>	<u>-</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>		
<i>Amounts received specifically for new or upgraded assets</i>	-	20,322
<i>Other grants, subsidies and contributions - Operating</i>		
Council Contribution - Alexandrina Council	498,329	435,442
Council Contribution - City of Victor Harbor	498,329	435,442
Sundry	1,000	-
	<u>997,658</u>	<u>870,883</u>



**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 3 - EXPENSE**

	2023	2022
Notes		
<b>EMPLOYEE COSTS</b>		
Salaries and Wages	25,445	35,962
Employee leave expense	1,775	1,899
Superannuation - non defined benefit plan contributions	2,423	3,808
Workers' Compensation Insurance	600	600
Other employment related costs	-	451
<b>Total Operating Employee Costs</b>	<b>30,243</b>	<b>42,720</b>
 <b>Total Number of Employees</b>	 -	 -
<i>(Full time equivalent at end of reporting period)</i>		
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>		
<u>Prescribed Expenses</u>		
Auditor's Remuneration		
- Auditing the financial reports	5,730	5,085
Subtotal - Prescribed Expenses	5,730	5,085
<u>Other Materials, Contracts &amp; Expenses</u>		
Contractors	109,925	109,545
Board Expenses	31,305	21,837
Administration	90,654	84,835
Fleurieu Aquatic Centre Site Expenses	611,392	435,113
Fleurieu Aquatic Centre Expenses	2,160,368	1,993,733
Subtotal - Other Materials, Contracts & Expenses	3,003,644	2,645,063
	<b>3,009,374</b>	<b>2,650,148</b>
 <b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>		
<b>Depreciation</b>		
Buildings & Other Structures	483,104	365,016
Furniture & Fittings	31,402	154,372
Plant & Equipment	22,447	73,291
Infrastructure	-	96,978
	<b>536,953</b>	<b>689,657</b>

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 4 - ASSET DISPOSALS**

	<b>2023</b>	2022
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	-	-
Less: Carrying amount of assets sold	-	26,976
<b>Gain (Loss) on disposal</b>	<b>-</b>	<b>(26,976)</b>
<b>NET GAIN (LOSS) ON DISPOSAL</b>	<b>-</b>	<b>(26,976)</b>

**Note 5 - CURRENT ASSETS**

	<b>2023</b>	2022
<b>CASH &amp; EQUIVALENT ASSETS</b>		
Cash at Bank	<b>113,427</b>	96,709
Deposits at Call	<b>609,669</b>	591,191
	<b>723,096</b>	687,900
<b>TRADE &amp; OTHER RECEIVABLES</b>		
Accrued Revenues	<b>2,130</b>	453
Debtors - general	<b>8,493</b>	151,477
Prepayments	-	6,689
<b>Total</b>	<b>10,623</b>	158,619

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)**

	Fair Value Level	2022				2023			
		Fair Value	Cost	Accumulated Depreciation	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land	2	-	-	-	-	<b>5,605,000</b>	-	-	<b>5,605,000</b>
Buildings & Other Structures	3	-	12,407,742	(1,930,085)	10,477,657	<b>27,163,111</b>	-	<b>(3,815,369)</b>	<b>23,347,742</b>
Furniture & Fittings		-	3,867,215	(807,378)	3,059,837	-	<b>395,410</b>	<b>(168,701)</b>	<b>226,709</b>
Plant & Equipment		-	1,216,378	(345,277)	871,101	-	<b>254,625</b>	<b>(101,882)</b>	<b>152,743</b>
Infrastructure		-	3,694,601	(512,789)	3,181,812	-	-	-	-
<b>Total IPP&amp;E</b>		-	21,185,936	(3,595,529)	17,590,407	<b>32,768,111</b>	<b>650,035</b>	<b>(4,085,952)</b>	<b>29,332,194</b>
<b>Comparatives</b>		-	21,161,756	(2,916,703)	18,245,053	-	21,185,936	(3,595,529)	17,590,407

	2022	Carrying Amounts Movement During the Year							2023
	Carrying Amount	Additions		Disposals	Depreciation	Transfers		Net Revaluation	Carrying Amount
		New / Upgrade	Renewals			In	Out		
	Land	-	-	-	-	-	-	5,605,000	5,605,000
Buildings & Other Structures	10,477,657	-	-	-	(483,104)	6,716,713	-	6,636,477	23,347,742
Furniture & Fittings	3,059,837	34,063	-	-	(31,402)	-	(2,835,789)	-	226,709
Plant & Equipment	871,101	1,089	2,111	-	(22,447)	-	(699,112)	-	152,743
Infrastructure	3,181,812	-	-	-	-	-	(3,181,812)	-	-
Total IPP&E	17,590,407	35,152	2,111	-	(536,953)	6,716,713	(6,716,713)	12,241,477	29,332,194
Comparatives	18,245,053	36,268	25,721	(26,976)	(689,657)	-	-	-	17,590,407

*This note continues on the following pages.*

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT**

**Valuation of Assets**

**General Valuation Principles**

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 other than quoted prices that are not based on observable market data (unobservable inputs).

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

**Land**

Freehold land and land over which Fleurieu Regional Aquatic Centre Authority has control is  
As a result of the valuation conducted, the Authority has recognised the value of the land which the Land was revalued as at 1 July 2022 by APV Valuers & Asset Management.

**Buildings & Other Structures**

Buildings and other structures were revalued as at 1 July 2022 by APV Valuers & Asset Management. All additions recorded after the date of the valuation are recorded at cost. The estimated decrease in depreciation expense as a result of the valuation is \$152,000.

**Plant & Equipment**

These assets are recognised at cost.

**Furniture & Fittings**

These assets are recognised at cost.

**Transfers**

All assets were transferred from infrastructure to buildings in line with the valuers grouping of the assets and components of furniture and fittings and plant and equipment were also transferred to

# Fleurieu Regional Aquatic Centre Authority

Notes to and forming part of the Financial Statements

**for the year ended 30 June 2023**

## Note 7 - LIABILITIES

	2023		2022	
	Current	Non-current	Current	Non-current
<b>TRADE &amp; OTHER PAYABLES</b>				
Accrued Expenses -Other	26,264	-	105,267	-
GST Payable	1,726	-	2,894	-
Good and Services	84,251	-	81,301	-
	<u>112,241</u>	<u>-</u>	<u>189,462</u>	<u>-</u>

## Note 8 - RESERVES

<b>ASSET REVALUATION RESERVE</b>	1/7/2022	Net Increments/ (Decrements)	Transfers/ Impairments	30/6/2023
Land	-	5,605,000	-	5,605,000
Buildings & Other Structures	-	6,636,477	-	6,636,477
<b>TOTAL</b>	<u>-</u>	<u>12,241,477</u>	<u>-</u>	<u>12,241,477</u>

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 9 - RECONCILIATION TO CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

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

		<b>2023</b>	2022
	<b>Notes</b>		
Total cash & equivalent assets	5	<b>723,096</b>	687,900
Balances per Cash Flow Statement		<b>723,096</b>	687,900

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

Net Deficit	<b>(535,269)</b>	(685,009)
Non-cash items in Statement of Comprehensive Income		
Depreciation, amortisation & impairment	<b>536,953</b>	689,657
Net increase (decrease) in unpaid employee benefits	-	(3,173)
Grants for capital acquisitions treated as Investing Activity	-	(20,322)
Net (Gain) Loss on Disposals	-	26,976
	<b>1,684</b>	8,129
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	<b>147,996</b>	(79,779)
Net increase (decrease) in trade & other payables	<b>(77,220)</b>	30,591
<b>Net Cash used in operations</b>	<b>72,459</b>	(41,059)

**(c) Financing Arrangements**

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

Corporate Credit Cards	<b>5,000</b>	5,000
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The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 10 - FINANCIAL INSTRUMENTS**

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

**Accounting Policies - Recognised Financial Instruments**

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> Initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between 0.01% and 4.3% (2022: average rate 0.7%).</p> <p><b>Carrying amount:</b> Approximates fair value due to the short term to maturity.</p>
<b>Receivables Fees &amp; Other Charges</b>	<p><b>Accounting Policy:</b> Carried at nominal values less any allowances for doubtful debts.</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</p> <p><b>Carrying amount:</b> Approximates fair value (after deduction of any allowance).</p>
<b>Liabilities Creditors and Accruals</b>	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> Approximates fair value.</p>

**Liquidity Analysis**

<b>2023</b>	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b><u>Financial Assets</u></b>					
Cash & Equivalents	723,096	-	-	723,096	723,096
Receivables	10,623	-	-	10,623	10,623
<b>Total</b>	<b>733,719</b>	<b>-</b>	<b>-</b>	<b>733,719</b>	<b>733,719</b>
<b><u>Financial Liabilities</u></b>					
Payables	85,977	-	-	85,977	85,977
<b>Total</b>	<b>85,977</b>	<b>-</b>	<b>-</b>	<b>85,977</b>	<b>85,977</b>
<b>2022</b>	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b><u>Financial Assets</u></b>					
Cash & Equivalents	687,900	-	-	687,900	687,900
Receivables	151,930	-	-	151,930	151,930
<b>Total</b>	<b>839,830</b>	<b>-</b>	<b>-</b>	<b>839,830</b>	<b>839,830</b>
<b><u>Financial Liabilities</u></b>					
Payables	189,462	-	-	189,462	189,462
<b>Total</b>	<b>189,462</b>	<b>-</b>	<b>-</b>	<b>189,462</b>	<b>189,462</b>

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 10 - FINANCIAL INSTRUMENTS (con't)**

**Net Fair Value**

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

**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 Authority is the carrying amount, net of any impairment. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 in relation to individual classes of receivables, exposure is concentrated within the Authority'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 Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

**Interest Rate Risk** is the risk that future cash flows will fluctuate because of changes in market interest rates. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.



**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 11 - COMMITMENTS FOR EXPENDITURE**

Service	Contractor	Period of contract	Brief description
Operational Management – Fleurieu Aquatic Centre	YMCA SA	Two year extension to 30 June 2024	Provision of aquatic centre facility management and operating services for the Fleurieu Aquatic Centre (management of all aspects of daily operations and maintenance of the facility)
External Audit Services - Fleurieu Regional Aquatic Centre Authority	Dean Newbery & Partners	One year extension to 30 June 2023	Provision of an independent audit opinion of the accounts and annual financial reports of the Authority for financial years 2019/20, 2020/21, 2021/22 and 2022/23.
Administration & Finance Services	Alexandrina Council	Agreement extended to 31 December 2023	Provision of 0.5FTE Administration Officer and 0.05FTE Finance Officer

**Note 12 - YMCA Management**

The Authority has engaged YMCA SA to manage the day to day running of the Fleurieu Aquatic Centre (FAC). This management encompasses the receipting of income and outgoing of expenditure of the facility. The following income and expenditure lines relate to those managed by the YMCA:

	2023	2022
FAC Income	<b>2,019,850</b>	1,828,656
FAC Expense	<b>2,142,759</b>	1,993,733
Net Result	<b>(122,909)</b>	<b>(165,077)</b>

**Note 13 - OPERATING LEASES**

The Authority as at 30 June 2023 had not entered into any operating leases.

**Note 14 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED**

The Authority as at 30 June 2023 had not recognised any contingencies.

**Note 15 - EVENTS OCCURRING AFTER REPORTING DATE**

There were no events subsequent to 30 June 2023 that need to be disclosed in the financial statements.

**Note 16 - ECONOMIC DEPENDENCY**

Per section 5.2 of the Authority's Charter there maybe a requirement for additional financial contributions to be made by Constituent Councils if there is insufficient working capital available to meet the Authority's financial obligations. The Authority may be reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis.

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2023**

**Note 17 - RELATED PARTY DISCLOSURES**

**KEY MANAGEMENT PERSONNEL**

The Key Management Personnel of the Authority include the Chair, the Board and Executive Officer as prescribed officers under section 112 of the Local Government Act 1999.

In 2022/23, the Authority paid allowances to three independent Board Members.

In 2022/23, there was one employee classified as Key Management Personnel.

In all, three persons were paid the following compensation:

	<b>2023</b>	2022
	<b>\$</b>	<b>\$</b>
Salaries, allowances & other short term benefits - Board Members	<b>19,979</b>	15,573
Salaries, allowances & other short term benefits - Employees	<b>32,518</b>	63,506
<b>TOTAL</b>	<b>52,497</b>	79,079

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

The Authority did not receive any payments from KMPs, other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.)

**PARTIES RELATED TO KEY MANAGEMENT PERSONNEL**

KMP and relatives of KMPs own retail businesses from which various supplies were purchased as required either for cash or on 30 day account. Purchases from none of these individual businesses exceeded \$x,xxx during the year.

XX close family members of key management personnel are employed by Council in accordance with the terms of the Award, and as recorded in the public Register of Salaries maintained in accordance with section 105 of the *Local Government Act* 1999.

**OTHER RELATED PARTIES**

The following transactions occurred with other Related Parties during the financial year ended 30 June

Related Party Entity	Sale of Goods & Services (\$)	Amounts Outstanding from Related Parties (\$)	Description of Services Provided to Related Parties
Alexandrina Council	498,329	-	Contribution to Regional Aquatic Facility
City of Victor Harbor	498,329	-	

The Related Parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority.  
No one Constituent Council individually has control of those policies.

**Fleurieu Regional Aquatic Centre Authority**  
**Annual Financial Statements**  
**for the year ended 30 June 2023**  
**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2023, the Authority's Auditor, Dean Newbery & Partners, Chartered Accountants, 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* .

.....  
**Kellie Knight-Stacey**  
**ACTING EXECUTIVE OFFICER**

**Date:**

**Friday, 20 October 2023**

Samantha Creten  
Partner  
Dean Newbery  
PO Box 755  
**NORTH ADELAIDE SA 5006**

Dear Samantha

**Management Representations: External Audit, Financial Year Ended 30 June 2023**

This Management Representation letter is provided in connection with your audit examination of the General Purpose Financial Report (**2023 Financial Report**) of the Fleurieu Regional Aquatic Centre Authority ('the Authority') for the financial year ended 30 June 2023.

**We hereby confirm, at your formal request, that to the best of our knowledge and belief, the following representations relating to the 2023 Financial Report are correct.**

In making these representations, we understand that they are provided to you in connection with your external audit of the Authority for the year ended 30 June 2023 as prescribed by the Local Government Act 1999, for the express purpose of your expressing an opinion as to whether the 2023 Financial Report is, in all material respects, presented fairly in accordance with all applicable standards and requirements, including statutory. In making these representations, we have read and understood the standard unqualified Audit Opinion that would be normally expressed to the Authority by you as is required under Section 129(3) of the Local Government Act 1999 for the financial year ended 30 June 2023. We therefore understand, without exception, the potential ramifications of making any representations to you that are not correct, to the best of our knowledge and belief as of the date of this letter.

We understand and acknowledge that it is the Authority management's responsibility for the fair presentation of the 2023 Financial Report and that management, as appropriate, have approved the Financial Report. Accordingly, management of the Authority are of the opinion that the 2023 Financial Report is free of material misstatements, including omissions.

**1. Compliance with all Applicable Standards, including Statutory**

The Financial Report of the Authority has been prepared so as to present a true and fair view of the state of affairs of the Authority as at 30 June 2023 and of the results of operations of the Authority for the financial year ended on that date, including for all post balance date matters, as applicable.

The accounting and financial management policies, practices and records of the Authority were at all times maintained in accordance with the requirements of the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and that the Financial Report was prepared in accordance with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011, Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board together with all other mandatory professional reporting requirements in Australia.

## **ASSETS**

### **Cash and Cash Equivalents**

- (1) There was no cash on hand as at 30 June 2023.
- (2) Cash at bank at balance date represented the reconciled operating account(s) of the Authority.
- (3) Short term deposits represented amounts held with the LGFA by the Authority.

### **Trade and Other Receivables**

- (1) Current trade receivables at balance date represented all outstanding amounts owed by debtors.
- (2) Current other receivables at balance date represented all outstanding amounts owed by debtors.
- (3) There were no debts due at balance date that are known to be uncollectible.

### **Inventories**

- (1) The Authority held no inventory as at 30 June 2023.

### **Other Current Assets**

- (1) There were no prepayments at balance date.

### **Infrastructure, Property, Plant & Equipment and Depreciation**

- (1) Infrastructure, property, plant and equipment at the 2023 balance date was represented by the following fair values, cost, accumulated depreciation and carrying amounts for each class of asset, in accordance with all prescribed requirements and standards, as follows:

<b>Class</b>	<b>Fair Value</b>	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Carrying Amount</b>
Land	5,605,000	-	-	5,605,000
Buildings and Other Structures	27,163,111	-	(3,815,369)	23,347,742
Furniture and Fittings	-	395,410	(168,701)	226,709
Plant and Equipment	-	254,625	(101,882)	152,743
<b>TOTAL</b>	<b>32,768,111</b>	<b>650,035</b>	<b>(4,085,952)</b>	<b>29,332,194</b>

The additions during the 2023 financial year to Infrastructure, property, plant and equipment general ledger control accounts and asset registers represents the cost of additions and or improvements to existing facilities or replacements thereof. All units of property which have been replaced, sold, dismantled or otherwise disposed of, or which are permanently unusable, have been removed from general ledger and applicable asset register. Adequate provision, determined in a manner consistent with that of the preceding financial year, has been made to write-off depreciable assets over their useful economic working lives.

No circumstances have arisen which render adherence to the existing basis of depreciation misleading or inappropriate and that depreciation expense for the financial year ended 30 June 2023 is reliable.

- (2) All additions to depreciable assets represent actual additions or improvements of a capital nature, based on capitalisation thresholds consistently applied for the 2023 financial year and unchanged from the 2022 financial year.
- (3) Where the recorded carrying amount of any depreciable assets exceeds its recoverable amount as at 30 June 2023, that asset's recorded carrying amount has been written down to its recoverable amount.
- (4) Contractual commitments for capital expenditure(s) included in the Financial Report payable not later than one year are as described in the notes accompanying the Financial Report.
- (5) There are no deficiencies or encumbrances attaching to the title of the assets of the Authority at 30 June 2023 other than those reflected in the financial report and those are not greater than the value of the asset.
- (6) No Operating or Finance Lease commitments exist that have not been disclosed in the Financial Report. All Operating Lease expenses have been fully disclosed in the notes to the 2023 Statement of Comprehensive Income. Finance Leasing commitments have been fully disclosed in the notes to the 2023 Balance Sheet.
- (7) The asset revaluations of infrastructure assets undertaken during the 2023 financial year by APV Valuers & Asset Management, were based on the principle of written down replacement value. Accordingly, total replacement value, total economic working life, residual economic working life were reliably established for each asset and the financial records of Authority were restated in accordance with all applicable
- (8) Australian Accounting Standards, and the Financial Report reflects all such accounting entries.
- (9) Valuations of all infrastructure assets have been formally accepted by the Authority and reflected in the 2023 Financial Report.
- (10) The asset revaluations of all land and buildings owned by Authority were undertaken by independent valuers APV Valuers & Asset Management as at 1 July 2022.
- (11) Valuations have been formally accepted by Authority and recognised in the 2023 Financial Report.

- (12) The resultant increment to the asset revaluation reserve during the year represents the difference between the prior written down value of the assets being valued and the valuations as at **1 July 2022**.
- (13) Depreciation expense reported in the 2023 Statement of Comprehensive Income is reliable, being based on reliable 'whole of life' asset management information for each class of depreciable non-current asset.

## **LIABILITIES**

### **Current and Non-Current**

- (1) All liabilities which have arisen, or which will arise out of the activities of the Authority to the end of the 2023 financial year have been included in the 2023 Financial Report.
- (2) All outstanding trade payables at balance date have been taken up as at the 2023 balance date.
- (3) All applicable accrued wages and salaries and accrued employee entitlements at the 2023 balance date have been taken up.
- (4) All accrued interest at the 2023 balance date have been taken up.
- (5) All revenue received in advance as at the 2023 balance date have been taken up.
- (6) Provisions for employee benefits, inclusive of on-costs, all discounted as at the 2023 balance date representing long service leave benefits calculated for all valid employees (as at balance date) have been taken up.
- (7) Accrued employee benefits represent annual leave accrued for all valid employees as at the 2023 balance date.
- (8) There were no borrowings as at the 2023 balance date.
- (9) There were no contingent liabilities including for:
  - a) guarantees;
  - b) bills and accounts receivable discounted, assigned or sold and which are subject to recourse;
  - c) endorsements;
  - d) pending lawsuits, unsatisfied judgements or claims;
  - e) repurchase agreements; or
  - f) contractual disputes between the Authority and any contractor / service provider that may result in an increased liability as at 30 June 2023; which are not fully disclosed in the notes to the 2023 Financial Report.

## **EQUITY**

- (1) There have been no adjustments to the Accumulated Surplus other than those allowable under the Australian Accounting Standards.
- (2) There have been no adjustments to the Asset Revaluation Reserve other than those allowable under the Australian Accounting standards and the balance of the reserve has been reconciled to each class of asset.
- (3) All reserve funds required by legislation to be maintained have been at all times maintained in the accounting records of the Authority .
- (4) All transfers to and from reserve funds (including the Accumulated Surplus) have been prior authorised by Authority.
- (5) Other than for the Asset Revaluation Reserve, all other reserve accounts are those applied for 2023 Authority budget purposes and have the same balances as at 30 June 2023.
- (6) The Authority does not maintain a 'Contingency Reserve' (or equivalent).
- (7) The Authority maintains a partial cash backed depreciation reserve with the LGFA that is used for the renewal and replacement of assets. Drawdowns on the reserve are approved during the budget process or through Board resolutions during the financial year.

## **2023 STATEMENT OF COMPREHESIVE INCOME**

- (1) Please find below a summary of all variations greater than 10% for all income and expense amounts disclosed in the 2023 Statement of Comprehensive Income, compared to 2022.

Description	2021/2022	2022/2023	Variance	Comments
<b>INCOME</b>				
<b>User Charges</b>	1,828,655	2,018,850	10.4%	Increase usage and fees
<b>Council Contributions</b>	870,883	996,658	14.4%	Increased electricity costs
<b>Investments</b>	4,632	20,172	335%	Interest on funds in reserve
<b>EXPENSE</b>				
<b>Employee Costs</b>	42,720	30,243	(29.2%)	Position vacant from Mar 2023
<b>Materials, Contracts and Other Expenses</b>	2,650,148	3,009,374	13.5%	Increased electricity costs and reactive maintenance
<b>Depreciation</b>	689,657	536,953	(22.1%)	Revaluation in 2022

- (2) No amounts have been re-classified in the 2023 Statement of Comprehensive Income.
- (3) No depreciable physical resources were received free of charge.
- (4) Depreciation expense for 2023 is in accordance with Authority's asset registers and has been determined on the same basis as for 2022 for asset classes plant & equipment and furniture & fittings. The revaluation undertaken provides for short and long term useful life components which has resulted in a reduction of annual depreciation expenses in 2023.



- (5) Salaries and Wages expense disclosed in the 2023 Statement of Comprehensive Income reconciles to the last budgeted salaries and wage amount approved by Authority for 2023 annual budget funding purposes.
- (6) There were no capital grants received during 2023.

### **CHIEF EXECUTIVE OFFICER'S REPORT**

There were no exceptions to the standard Chief Executive Officer's Report that may be or will be expressed in the 2023 report to be included in the 2023 Financial Report.

### **OTHER REQUIRED REPRESENTATIONS**

- (1) No events have occurred (or are known to occur) subsequent to the 30 June 2023 that would require any consideration for adjustment to or additional disclosure in the 2023 Financial Report.
- (2) The Authority does not have any plans or intentions that may materially affect the carrying value or classification of all assets and liabilities as at 30 June 2023.
- (3) The Authority has complied with all aspects of contractual arrangements and agreements that would have a material effect on the 2023 Financial Report in the event of non-compliance.
- (4) There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, other than those disclosed in the 2023 Financial Report.
- (5) There are no violations or possible violations of laws, compulsory standards or regulations whose effects should be considered for disclosure in the 2023 Financial Report or as a basis for recording as an expense or otherwise.
- (6) The methods, the data, and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
- (7) The Authority has full title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- (8) All details concerning related party transactions and related amounts receivable or payable (including sales, purchases, loans and guarantees) have been correctly recorded in the accounting records. All related parties have been identified and disclosed to you during your audit.

- (9) The Authority reviews, at least on an annual basis, the adequacy of insurance cover on all assets and insurable risks. This review has been consistently performed, and where it is considered appropriate, assets and insurable risks of the Authority are at all times adequately covered by appropriate insurance.
- (10) The minutes of all meetings of Authority and its Committees were made available to you and are complete and authentic records of all such meetings held during the 2023 financial year and to the date of this letter. All other statutory records were properly kept at all times during the year and have been made available to you for audit purposes.
- (11) The minutes of all meetings of Authority and its Committees were made available to you and are complete and authentic records of all such meetings held during the 2023 financial year and to the date of this letter. All other statutory records were properly kept at all times during the year and have been made available to you for audit purposes.
- (12) All audit correspondence has been formally and promptly responded.
- (13) All audit correspondence has been referred to Authority and Authority's Audit Committee.
- (14) Salaries and wages records together with records for the Goods and Service Tax were at all times fully maintained in accordance with the requirements of the Australian Taxation Office, as applicable.
- (15) All documentation relating to the capture of Related Party Disclosures and Transactions (AASB 124 Related Party Disclosures) including all authorised forms provided by the deemed Key Management Personnel, evidence of review of total related party transactions processed during the financial year by the Authority e.g. Transaction reports of payments made by Authority to related parties and any working papers of calculation methodologies for the disclosures in the 30 June 2023 financial statements have been made available to the auditors.
- (16) All deemed material transactions relating to Related Party Disclosures and Transactions (AASB 124 Related Party Disclosures) have been included and adequately disclosed in the 30 June 2023 financial statements.
- (17) Authority has formally in place and has at all times maintained an appropriate standard of accounting, internal control structure and framework, segregation of duties and risk management structure and framework across the entire organisation, including appropriate controls and mechanisms specifically designed to prevent and detect fraud and error. Further, we advise that there have not been any instances of fraud or error during the financial year ended 30 June 2023 or to the date of this letter. In addition, there are no matters that should be brought to your attention for the purposes of your making an assessment as to Sections 129(5) and 129(6) of the *Local Government Act 1999*.
- (18) The 2023 Financial Report has been adjusted for all agreed audit adjustments for the year ended 30 June 2023.

- (19) The Authority's Audit Committee has addressed all of its prescribed responsibilities, and no member of the Committee has undertaken other professional services for the Authority.
- (20) In our opinion, there are no grounds to believe that the Authority will not be able to pay its debts as and when they fall due, that assets will be at all times maintained to the service standards currently determined by Authority and accordingly, the Authority is long term financially sustainable.

Yours sincerely

-----  
**Steve Mathewson**  
**Chair, Fleurieu Regional Aquatic Centre Authority**

**To:** FRAC Authority Board  
**From:** Kellie Knight-Stacey – Acting Executive Officer  
**Subject:** 7.4 Report on Financial Results – Budget v Actuals  
**Date:** 20 October 2023  
**References:** Nil  
**Consultation:** Nil  
**Attachments:** Nil

## Purpose

The purpose of this report is to provide the Board with a Report on Financial Results for the 2022-2023 financial year and commentary in regard to material variances to budget.

## Discussion.

The following tables provide a high-level summary of the significant variances from the 2022-2023 original budget to end of financial year result.

## Statement of Comprehensive Income

There was an overall positive result to the Operating Deficit due to a reduction in depreciation as a result of the revaluation on land and buildings and the introduction of short and long-life components.

Description	2022/23 Budget	2022/23 Actual	Variance (\$)	Variance (%)	Comments (Items over 10% variance)
<b>INCOME</b>					
User Charges	2,036,411	2,018,850	(17,561)	-0.9%	-
Grants and contributions	755,934	997,658	241,724	32.0%	Increased council contributions due to electricity costs
Investment Income	4,900	20,172	15,272	311.7%	Interest rate increases throughout year
Reimbursements	0	275	275	N/A	-
Other Income	0	4,346	4,346	N/A	-
<b>Total Income</b>	<b>2,797,245</b>	<b>3,041,301</b>	<b>244,056</b>	<b>8.7%</b>	-
<b>EXPENSES</b>					
Employee Expenses	66,600	30,243	(36,357)	-54.6%	Executive Officer position vacant
Materials, Contracts and Other	2,730,645	3,009,374	278,729	10.2%	Increased electricity costs and reactive maintenance
Depreciation	693,948	536,953	(156,995)	-22.6%	Revaluation and introduction of short and long life components
<b>Total Expenses</b>	<b>3,491,193</b>	<b>3,576,570</b>	<b>85,377</b>	<b>2.4%</b>	-
<b>Operating Surplus / (Deficit)</b>	<b>(693,948)</b>	<b>(535,269)</b>	<b>158,679</b>	<b>-22.9%</b>	Reduced deficit

### Statement of Financial Position

Non-Current asset values increased due to the revaluation undertaken on land and buildings. There was a 12.1% decrease in trade receivables as at 30 June than forecast with a larger decrease in trade payables of 40.8%.

Description	2022/23 Budget	2022/23 Actual	Variance (\$)	Variance (%)	Comments (items over 10% variance)
<b>ASSETS</b>					
Current Assets	834,389	733,719	(100,670)	-12.1%	Actual Trade and Receivables on 30 June
Non-Current Assets	16,908,589	29,332,194	12,423,605	73.5%	Revaluation on Land and Buildings
<b>Total Assets</b>	<b>17,742,978</b>	<b>30,065,913</b>	<b>12,322,935</b>	<b>69.5%</b>	
<b>LIABILITIES</b>					
Current Liabilities	189,462	112,241	(77,221)	-40.8%	Actual Trade and Payable outstanding on 30 June
<b>Total Liabilities</b>	<b>189,462</b>	<b>112,241</b>	<b>(77,221)</b>	<b>-40.8%</b>	
<b>NET ASSETS</b>	<b>17,553,516</b>	<b>29,953,672</b>	<b>12,400,156</b>	<b>70.6%</b>	Revaluation on Land and Buildings

### Statement of Cashflows

Cash receipts and payments increased in line with electricity expenses and council contributions. Additional credit interest was received for cash reserves due to interest rate rises throughout the year.

Description	2022/23 Budget	2022/23 Actual	Variance (\$)	Variance (%)	Comments (items over 10% variance)
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
Receipts	2,797,245	3,182,608	385,363	13.8%	Additional contributions from Council for electricity
Payments	(2,797,245)	(3,110,149)	(312,904)	11.2%	Additional electricity expenses
<b>Net Cash</b>	<b>0</b>	<b>72,459</b>	<b>72,459</b>	<b>N/A</b>	
<b>CASHFLOWS FROM INVESTMENT ACTIVITIES</b>					
Receipts	0	0	0	N/A	-
Payments	12,130	37,263	25,133	207.2%	Urgent replacement of essential equipment
<b>Net Cash</b>	<b>(12,130)</b>	<b>(37,263)</b>	<b>(25,133)</b>	<b>207.2%</b>	
Net Increase (Decrease) in Cash	(12,130)	35,196	47,326	-390.2%	Increased interest on cash reserves and contributions
Cash at beginning of period	687,900	687,900	0	0.0%	-
<b>Cash at end of period</b>	<b>675,770</b>	<b>723,096</b>	<b>47,326</b>	<b>7.0%</b>	

The report on financial results was presented to the Audit and Risk Management Committee at their meeting held 3 October 2023, with the following resolved:

*That the Audit and Risk Management Committee receives and notes the 2022-2023 Budget v Actuals analysis and advises the Board that it is satisfied with the explanations for material variances.*

### **Recommendation**

*That the Authority Board receive and note the Report on Financial Results for the period ending 30 June 2023.*

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**To:** FRAC Authority Board  
**From:** Kellie Knight-Stacey - Acting Executive Officer  
**Subject:** 7.5 FRACA Annual Report 2022/2023  
**Date:** 20 October 2023  
**References:** FRACA Charter  
**Consultation:** Audit & Risk Management Committee  
**Attachments:** 7.5a FRACA Annual Report 2022/2023 v3.0

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## Purpose

The purpose of this report is to provide the Board with the FRACA Annual Report for the financial year 2022-2023.

## Background

In accordance with its Charter, the Authority is required to prepare and submit an Annual Report to Constituent Councils by 30 September each year. A draft report was reviewed by the Audit and Risk Management Committee on 3 October 2023 with the following resolved:

1. *The Audit and Risk Management Committee recommends that the Authority Board:*
  - i. *adopt the FRACA Annual Report 2022/2023 as reviewed and amended by the Committee on 3 October 2023; and*
  - ii. *authorise the Executive Officer to make any immaterial changes required prior to submission to Constituent Councils; and*
  - iii. *request the Executive Officer prepare the appropriate documents for submission of the FRACA Annual Report 2022/2023 to Constituent Councils once endorsed by the Authority Board in accordance with the Authority Charter.*

Amendments as recommended by the Committee have been updated and are presented to the Board for their review in the updated document at attachment 7.5a.

## Recommendation

*That the Authority Board:*

- *receives and notes the report;*
- *adopts the FRACA Annual Report 2022/2023;*
- *authorises the Executive Officer to make any immaterial changes required prior to submission to Constituent Councils; and*
- *requests the Executive Officer prepare the appropriate documents for submission of the FRACA Annual Report 2022/2023 to Constituent Councils.*



# 22/23 Annual Report

  
Fleurieu Regional  
**Aquatic Centre**  
Authority







# Contents

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The Fleurieu Regional Aquatic Centre Authority acknowledge the traditional custodians of the land the Centre is on, and acknowledge their connections to the land, waters and community. We pay our respect to their Elders past, present and future, and extend that respect to all Aboriginal and Torres Strait Islander peoples across Australia. The Authority will commence consultation to form an agreed acknowledgement with Aboriginal and Torres Strait Islander peoples and to inform future plans and processes.



# Chairperson's Message

Reflecting on the 2022/2023 financial year, the Fleurieu Regional Aquatic Centre Authority Board has established a foundation to move forward on a number of significant and important initiatives. We have steadily emerged from the uncertainty brought by the COVID pandemic, seeing differences in centre usage and a gradual return to confidence by the public. We continue to grow our service to the community, thinking innovatively with a focus on improving accessibility and sustainability at the forefront of our future vision.

This year also saw a change in our Board composition welcoming Council Member Angela Schiller to the Board and Council Members Lou Nicolson and Stewart Burns as new Deputy Council Members. I would like to thank David Kemp for his support on the Board and Audit Committee over the last 4 years, providing valuable expertise, advice and direction.

The Authority Board has shown a strong and considered approach to the challenges facing the Authority in the past year, committed to ensuring decisions are made for the benefit of the community and centre. I acknowledge and thank the Board for their work and effort in moving our Strategic Plan forward in an ever-changing environment, while fulfilling our governance requirements and reflecting honestly on the most appropriate structure for the Authority moving forward.

We continue to work with the YMCA on delivering an improved service offering, with a new Sensory Hydrotherapy program launched in early 2023 to enable access to our hydrotherapy pool for those living with sensory challenges. This initiative was part of a collaboration between the Authority Board, YMCA, Mission Australia and Alexandrina Council. We've also continued to focus on accessibility with improvements to our assets and infrastructure, including the purchase of an electric adult change table in the hydrotherapy pool area. We will continue to improve our facilities based on community feedback and intend to implement further changes and initiatives that will ensure our centre is a place for everyone.

The YMCA continue to deliver to our community, managing site attendance of over 183,000 visitors and a return of \$3.2million in social value outcomes. Social value measures the positive impacts of attendance that contribute to health

outcomes in the lives of our residents by way of benefits such as improved mental health, increased productivity, supporting those with chronic health conditions, improvements to swim safety for people of all ages and reducing reliance on the health system. Safety is also at the forefront of their management model, with the centre scoring extremely high when assessed against the Surf Life Saving SA's Pool Safety Assessment and setting the benchmark for the state. The social benefits of a community aquatic facility have also seen a resurgence in a post COVID world, with a number of events aimed at increasing social interaction for all ages proving to be popular activities that are well attended.

While our financial position was better than expected as we close out 2022/2023, energy costs remain the Authority's greatest challenge. Moving into the new financial year, our focus on decreasing our carbon footprint, increasing our environmental sustainability while reducing energy costs will come to life. In progressing our energy efficiency project, we continue to remain vigilant and agile in our pursuit of grant funding opportunities from all levels of government.

Dean Newbery & Partners has audited the 2022-2023 Financial Statements and a complete copy of the Audited Financial Statements forms part of this report.

In closing, I am proud of the work that we as the Authority Board, Audit and Risk Management Committee and in partnership with our Constituent Councils have undertaken in recent years. Whatever the future holds, I am confident we will continue to see the Fleurieu Aquatic Centre thrive and evolve, building on its current place in the community as a place for health, wellbeing and social connection.

**Steve Mathewson**

Chairperson, Fleurieu Regional Aquatic Centre Authority





“

The YMCA continue to deliver to our community, managing site attendance of over 183,000 visitors and a return of \$3.2million in social value outcomes.

”

# Who we are...

The Fleurieu Regional Aquatic Centre Authority is a regional subsidiary of City of Victor Harbor and Alexandrina Council, established to enable joint ownership and management of the Fleurieu Aquatic Centre on behalf of the two Constituent Councils.



The Centre opened to the region in 2017 after an investment of \$6.5 million from each Constituent Council, \$7.5 million from the Australian Government, \$500,000 from the South Australian Government, and a generous land donation from Beyond Today.

Located at 50 Ocean Road in Hayborough, South Australia, this premier facility provides the community with access to:

- **an 8-lane, 25-metre lap swimming pool;**
- **a multi-use hydrotherapy pool;**
- **a children's pool;**
- **a zero-depth outdoor splash park;**
- **a crèche facility;**
- **fitness facilities; and**
- **a commercial kiosk.**

Centre operations are managed by YMCA South Australia, who work closely with the Authority Executive Officer to care for and maximise the asset on behalf of the community.

The Charter was reviewed in 2021 and is the guiding document of the Authority and sets out its key responsibilities in relation to the management of the Centre.

These are to:

- manage the facilities of and services at the Aquatic Centre in accordance with the Charter and all applicable legislation;
- undertake the care, protection, management, operation and improvement of the Aquatic Centre and its associated facilities and services in an efficient, effective and sustainable manner;
- pro-actively manage the business of the Aquatic Centre in a competitive and changing environment;
- deliver effective and sustainable service provision for the Constituent Councils, customers of the Aquatic Centre and the regional communities of and surrounding the Constituent Councils;
- contribute to the education and welfare of the Constituent Councils and the wider community through the facilitation of various aquatic programs;
- foster social inclusion through the provision of a community place providing a variety of aquatic programs and associated services and facilities;
- maximise participation in and use of the aquatic programs provided at the Aquatic Centre and the facilities and services of the Aquatic Centre by users of all ages and abilities;
- undertake key strategic and policy decisions for the purpose of enhancing and developing the Aquatic Centre;
- establish and demonstrate ethical policies and standards, in accordance with the rights of customers and industry standards; and
- as far as possible, be financially self-sufficient.

**More information about the Centre and the Authority is available on our website at [www.fleurieuaquaticcentre.com.au](http://www.fleurieuaquaticcentre.com.au).**



# Strategic Direction

22/23

The Authority is boldly working towards its goals to achieve its vision from a revitalized Strategic Plan 2023-2032. This is supported by the updated 3 Year Business Plan 2023-2026.

## Mission

A premier aquatic facility that enhances the health and wellbeing of our regional communities.

## Vision

A vibrant, contemporary and inclusive facility, embraced by our communities.

## Aspirations

### 1. Participation and Awareness

Increase participation and awareness of the Fleurieu Aquatic Centre and its program and facilities.

### 2. Social Inclusion

Foster and maximise social inclusion and social activities.

### 3. Collaboration

Build relationships and collaborate for improved social, community, and commercial outcomes.

### 4. Stewardship

Provide prudent stewardship, striving for sustainability, innovation and creativity.

## Planning Context

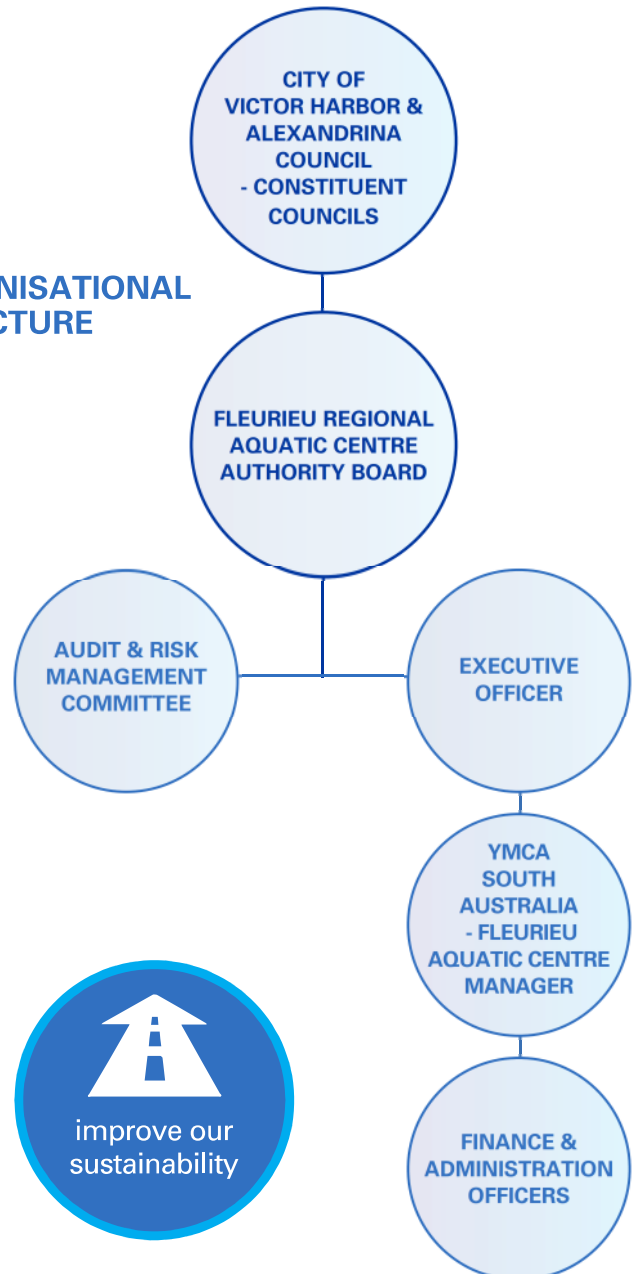
The Authority has a suite of strategic planning documents, including the Strategic Plan 2023/32 (subject to Constituent Council endorsement), Asset Management Plan 2018/2027 and Long-Term Financial Plan 2018/2027.

These strategic documents inform and are supported by the Authority 3-Year Business Plan, an annual Fleurieu Aquatic Centre Business & Marketing Plan, and annual budgets.

## Organisational Structure

The Authority is a body corporate and is governed by the Local Government Act 1999 and its Charter.

### THE ORGANISATIONAL STRUCTURE



## Looking Ahead

The Authority undertook significant work to capture its strategic risks and formed the draft Strategic Risk Management Plan in 2023. After the completion of the Asset Revaluation in late 2022, we continue with the management of our assets by reviewing the Asset Management Plan and Long-Term Financial Plan.

Further progress has been achieved to improve our sustainability with an energy solution set to commence in early 2024.

The Authority has made a number of applications for State and Federal government grants to support this project throughout the financial year. This has been a much longed-for development by the Authority, Constituent Councils and the community, with the hope to see the rewards of any decisions implemented for the long-term future. This project will continue regardless of grant funding outcomes.

# The Board

The Authority is led by a Board of Management responsible for ensuring the Authority acts in accordance with its Charter and all other relevant legislation, while providing a premier regional aquatic center to the community of behalf of its Constituent Councils.

The Board is comprised of five Members, including an elected member of each Constituent Council, and three independent Members engaged for their specialist skills and expertise. The 2022 Local Government Elections saw us welcome a new Representative from City of Victor Harbor, Angela Schiller. The Authority also engaged a new Independent Member in September 2022, Vicki Tomlinson. Both new members bring a wealth of experience and knowledge to the Board.

The Board is supported by an Executive Officer who gives effect to decisions and oversees the day to day operating functions of the the Authority and liaison with the YMCA.

In 2022/2023, the Executive Officer position was held by Andrew Baker, Victoria MacKirdy and Kellie Knight-Stacey.

During the 2022/2023 financial year the Board met 11 times at the City of Victor Harbor and Alexandrina Council offices. This included a training session and subsequent workshop to determine the current Strategic Risks of the Authority.



**Steve Mathewson**

Independent Chairperson Attended  
11/11 meetings



**Mark Easton**

Independent Member  
Attended 10/11 meetings



**Vicki Tomlinson**

Independent Member  
Attended 10/10 meetings  
(Commenced September 2022)



**Cr Margaret Gardner**

Alexandrina Council  
Attended 9/11 meetings



**Cr Angela Schiller**

City of Victor Harbor  
Attended 7/8 meetings  
(Commenced December 2022)

## Deputy Council Member Representatives



**Cr Lou Nicholson**

Alexandrina Council  
Attended 4/8 meetings  
(Commenced December 2022)



**Cr Stewart Burns**

City of Victor Harbor  
Attended 1/8 meetings  
(Commenced December 2022)

# Audit & Risk Management Committee



The Audit & Risk Management Committee provides assurance support to the Authority Board through the review of key documents and information.

**In accordance with the Terms of Reference, the Committee's key responsibilities include:**

- reviewing annual financial statements to ensure that they provide a timely and fair view of the state of affairs of the Authority;
- reviewing the adequacy of Authority risk management systems;
- proposing, and providing information relevant to, a review of the Authority's strategic management plans or annual business plan;

- liaising with the Authority's external auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Authority on a regular basis.

The Audit & Risk Management Committee met eight (8) times in the 2022/2023 financial year.

## Independent Chairperson

**Peter van der Eijk**

Attended 8/8 meetings.

## Independent Member

**Claudia Goldsmith**

Attended 8/8 meetings.

## Authority Board Member

**Vicki Tomlinson**

Attended 6/6 meetings.  
(Commenced December 2022)

## Constituent Council Representatives

**Kellie Knight-Stacey**

Corporate & Customer Service  
at City of Victor Harbor.  
Attended 1/5 meetings.  
(Ceased March 2023)

**Stephanie Juhas**

Team Leader Management  
Accounting at  
City of Victor Harbor.  
Attended 3/3 meetings.  
(Commenced April 2023)

**Trish Kirkland**

General Manager Corporate  
at Alexandrina Council.  
Attended 3/5 meetings.  
(Commenced January 2023)

**Elizabeth Williams**

General Manager Resources  
at Alexandrina Council.  
Attended 1/3 meetings.  
(Ceased December 2022)



# Fleurieu Aquatic Centre

“

We continue to grow our service to the community, thinking innovatively with a focus on improving accessibility and sustainability at the forefront of our future vision.

”

## Competitive Neutrality

The Constituent Councils and the Authority must comply with the principles of competitive neutrality in the conduct of significant business activities. The principles of competitive neutrality do not limit the types of business activities which councils (hence the Authority) may engage in, but requires that where these business activities are significant they are provided in a manner which is competitively neutral (provided that the public benefits of doing so outweigh the costs). The Authority is obliged by its Charter to undertake a competitive neutrality assessment of its significant business activities each year. The Board reviewed the fees and charges in 2022/23 to ensure that the principles of competitive neutrality were maintained.



# Fleurieu Aquatic Centre Performance

# Key Achievements

Membership peaked to **1198**, Member growth increase of **4.3%** from 2021/2022.

**183,036** Centre visits during the year, an increase of **4.9%** (8,544) from 2021/2022.

Ongoing management of COVID-19 safety systems.

## Social Impact Highlights

YMCA in partnership with Surf Lifesaving SA and other community organisations, launched the Parnggi Yarlurwar Porlar (Water Ocean Kids) program, of which the Fleurieu Aquatic Centre is a proud program member.

This initiative offers an invaluable opportunity to up to 25 First Nations children aged 7-12 years across SA to participate in free swimming lessons during Terms 2 and 3, in addition to the Nippers program at Goolwa Surf Lifesaving Club. The funding for this program is from an Office of Recreation Sport and Racing Grant, a reflection of the YMCA's proactive approach to seeking resources to facilitate such transformative programs, bringing the opportunity to local children in our community.

Another standout moment of the year was the introduction of Australia's inaugural public access Sensory Hydrotherapy sessions. This is an innovative new program transforming the hydrotherapy pool into a calm dark area with visual sensory lighting, projections and music, offering an accessible, low sensory pool session, ideal for those who would benefit from a calmer environment. This program was made possible by the collaboration between the Authority, YMCA, Mission Australia and Alexandrina Council.

Aqua Babies was launched in February 2023 and is a free program to introduce infants aged 3-6 months old to the water, providing a nurturing and supportive environment for their initial aquatic experiences. Serving as a feeder into the broader swimming lesson program, Aqua Babies ensures a seamless transition into water-based activities for these young participants.

Our swimming lesson program stands as a marker of our commitment to water safety and education.



The impressive statistic of over 13,544 lessons delivered in 2022/23 underscores our dedication to imparting essential skills in the Fleurieu community. With lessons catering to a diverse age range, spanning from 6-month-old infants to adults, including those with additional support needs, we continue to offer an inclusive and welcoming space for all.

School holiday activities continue to be a key focus at the Centre, with a diverse range of offerings both in and out of the pool provided to engage with local youth. This includes Mega Splash, inflatable volleyball, slime making, slide n splash and cookie decorating.

The YMCA's dedication to community enrichment continues to embrace the social connection aspect of the Authority's vision. A number of social events were relaunched in 2022/2023 after years of Covid interruptions, including the 80's disco aqua aerobics event. Beyond being a fun and entertaining social gathering, it also served a higher purpose by raising \$395 for a local charity that runs a community pantry, providing support to families facing challenging circumstances.



## Social Impact Highlights (cont)

This collaborative effort highlights the Centre's role as a hub for both fitness and community involvement, fostering a culture of giving back.

The Centre's members remain at the heart of its accomplishments. The "Member of the Month" initiative continued throughout the year, providing a platform to celebrate the remarkable stories of individuals on their fitness journeys. These narratives are a testament to the positive impact the Centre has on its members, serving as a source of motivation and inspiration.

The Fleurieu Aquatic Centre has solidified its standing as a nurturing ground for talent and community engagement. The Great Southern Swimming Club continues to flourish with training sessions held five times a week. The club's consistent growth, averaging 20-30 active swimmers per session, showcases the Centre's pivotal role in honing local athletes and providing them with a platform to excel.

The YMCA demonstrated resourcefulness by repurposing unclaimed lost property, including bathing suits and goggles. These items were generously donated to a swim school in

Zimbabwe, which in turn distributed them to underprivileged children, showcasing a heartwarming display of international collaboration and support.

These new initiatives and programs build on our existing partnerships with a number of community organisations such as MS Society, YWCA, Department of Education, and Community Living Australia.



### YMCA

dedication to  
community  
enrichment

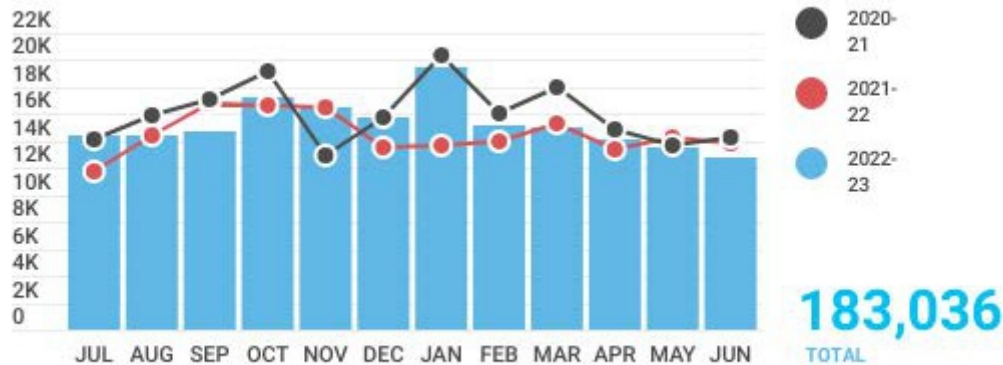


A nurturing  
ground for talent  
& community  
engagement



# Centre Utilisation

## Site Attendance



  
Peak Membership

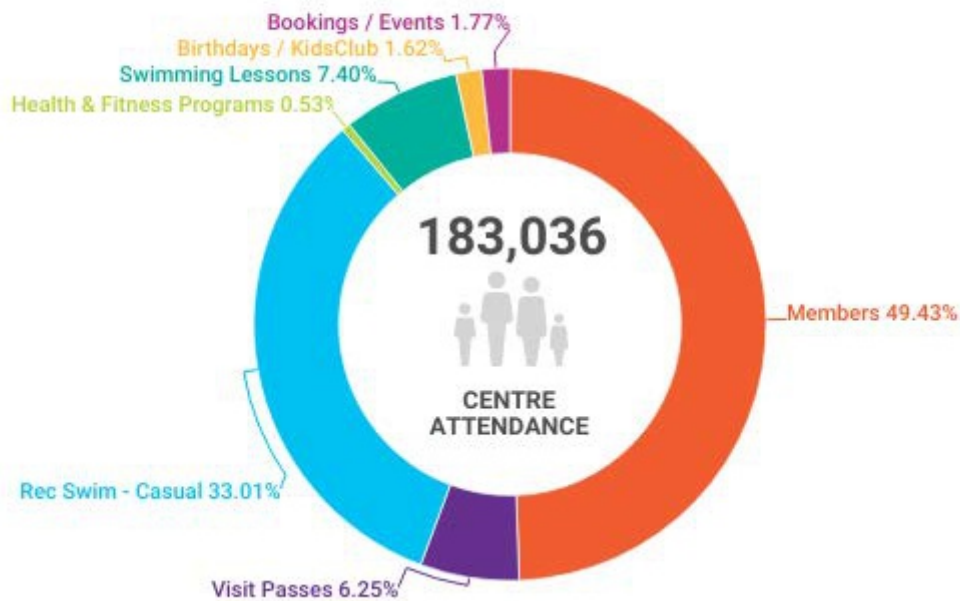
**1,198**

  
Peak Swimming Lessons Participants

**451**

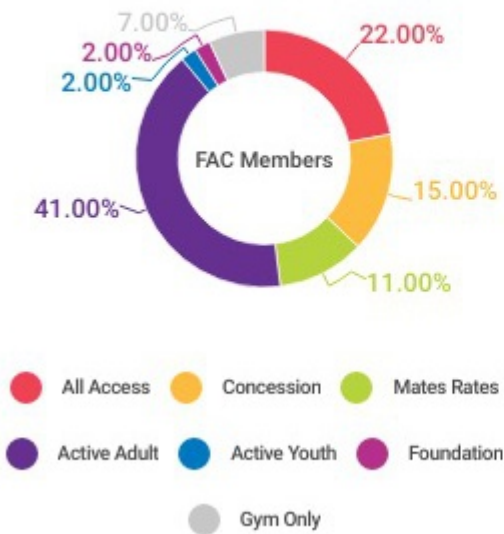
  
Employees as of 30 June 2023

**19** FTE

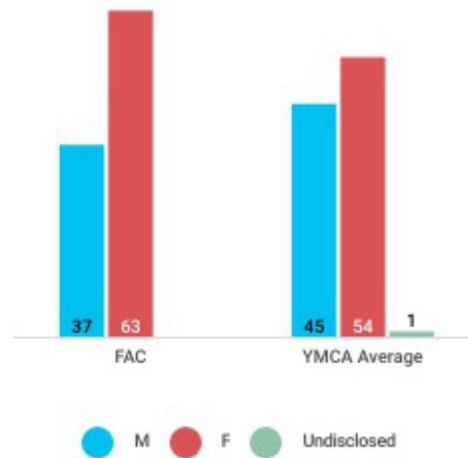


# Members

## MEMBERSHIP TYPE BREAKDOWN



## GENDER



# Community Feedback

The **Ask Nicely** system gathers customer feedback online via a short survey to calculate a Net Promoter Score for the Centre, with any concerns addressed by the Centre Manager. The overall score for 2022/2023 has increased to 70, from a score of 69 in 2021/2022.



## COMMUNITY

### NET PROMOTER SCORE





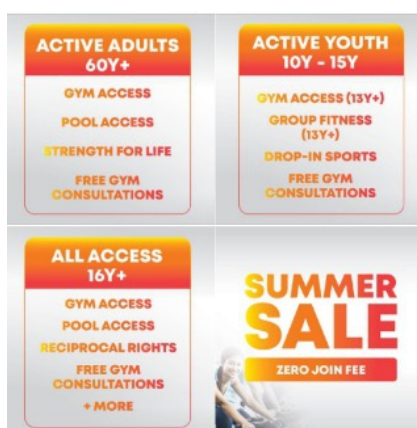
# Marketing & Communication

The marketing strategy for the year 2022/23 had a clear focus on boosting Centre membership and enhancing community involvement, prioritising two key programs – swimming lessons and group fitness.

Highlighting these offerings promoted avenues for personal growth, fitness and the opportunity to reengage our close-knit community.

The following campaigns and promotions were run throughout the year using a range of media to increase reach and target specific demographic groups. Engagement is undertaken through a range of marketing activity, local newspapers, online promotions including social media, website and sharing through likeminded partners including Alexandrina and the City of Victor Harbor Councils.

- School holiday focused promotion included VacSwim, and school holiday programming for each school holiday period. This comprehensive approach led to impressive increases in attendance for recreational swimming activities and corresponding revenues.
- Showcasing transformative journeys and achievements of Centre members to capture emotional bonds forged in the Centre's welcoming environment. This included swim fundraising efforts for the Starlight Children's Foundation, and regular 'swimmer of the week' social media posts from Junior Swim lessons.
- Internal member communication via email E-Blast.
- Promotion of new programs including Sensory Hydrotherapy and Parnggi Yarlurwar Porlar (Water Ocean Kids).
- Aqua Guard Workshop promotion.





“

The Fleurieu Aquatic Centre  
has solidified its standing  
as a nurturing ground for  
talent and community  
engagement.

”





**Fleurieu Regional Aquatic  
Centre Authority**

XXXXXXXXXXXXXX

# Financial Statements



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**To:** FRAC Authority Board

**From:** Kellie Knight-Stacey – Acting Executive Officer

**Subject:** 7.6 Treasury Report

**Date:** 20 October 2023

**References:** Treasury Management Policy

**Consultation:** Audit & Risk Management Committee

**Attachments:** 7.6a LGFA Statement  
7.6b Treasury Management Policy

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## Purpose

The purpose of this report is to provide a brief to the Board regarding the treasury management performance of the Authority.

## Background

The Treasury Management Policy provides a clear direction to guide the Authority in relation to the treasury function, support decision making regarding its financial operations, and ensure it is operating in a financially sustainable manner. 3e of the Policy states:

*At least once a year the Authority Board shall receive a specific report regarding treasury management performance relative to this policy document.*

*The report shall highlight:*

- *for each borrowing and investment - the quantum of funds, its interest rate and maturity date, and changes in the quantum since the previous report;*
- *the average balance of funds held in non-investment accounts for the reporting period; and*
- *the proportion of fixed interest rate and variable interest rate borrowings at the end date of the reporting period and an estimate of the average of these proportions across this period along with key reasons for significant variances compared with the targets specified in this policy.*

The Audit and Risk Management Committee considered the Treasury Report at its meeting held 11 October 2023, with the following resolved:

*The Audit and Risk Management Committee receives and notes the report on Treasury Management performance.*

## Discussion

The Authority had no borrowings for the reporting period.

The below table provides details of the Authority's deposits for the 2022/2023 financial year including investment accounts with the Local Government Finance Authority (LGFA) and the ANZ operating account:

Account type	Balance as at:		Average Balance Held	Average Interest Rate
	01/07/2022	30/06/2023		
LGFA - Surplus Funds	8,781.36	10,407.25	9,800.54	2.90%
LGFA - Depreciation Reserve	582,409.76	599,261.81	589,995.82	2.90%
ANZ – Operating Account	95,183.31	113,426.72	147,986.48	0.01%

Credit interest rates on at call deposits with the LGFA rose over the course of the year from 1.05% in July 2022 to 4.30% in on 30 June 2023.

A copy of the LGFA statement for the financial year is provided at Attachment 7.6a.

Excluding the depreciation reserve, cash at bank as at 30 June 2023 totals \$123,833.97 and as such no disbursement to Constituent Councils was required as per clause 3c of the Policy.

Interest received into the deposit accounts during the reporting period totals \$16,792.04. There were no funds transfers noted on the LGFA statements. Credit interest performance could be improved by regular transfers from the ANZ operating account to the LGFA Surplus funds account as per clause 3d of the Policy which states:

*“Subject to above (clause 3c), the Authority’s funds that are not immediately required for operation needs and cannot be applied to either reduce existing borrowings or avoid the raising of new borrowings will be invested. The balance of funds held in any operating bank account that does not provide investment returns at least consistent with ‘at call’ market rates shall be kept at a level that is no greater than is required to meet immediate working capital requirements.”*

## Future Considerations

The Authority may be required to obtain loan funding from the LGFA to deliver its energy efficiency project. The amount of any loan funding will be known once the outcome of the current request for tender has been determined, as well as outcomes of a Federal Government grant fund application (Expression of Interest lodged August 2023) and State Government grant fund application (submission lodged 25 September 2023). While a detailed timeframe for implementation of the project has not yet been confirmed, it is anticipated that works will commence from April 2024.

As the Executive Structure Review is in progress, no changes are recommended to current investment practices except for the commencement of regular transfers of funds to and from the operating account to maximise credit interest where resources permit.

The review of the Authority Long Term Financial Plan has commenced and the Asset Management Plan due to commence after. Any consideration of potential investment of Authority funds will be better informed after these reviews are finalised.

A copy of the Treasury Management Policy is provided at Attachment 7.6b.

**Recommendation:**

*That the Authority Board:*

- *receives and notes the report; and*
- *determine that the funds of the Authority continue to be maintained at the 'at call' rate, with no change required to the current investments.*

## Transaction Statement from 01/07/2022 to 30/06/2023 inclusive

### Council Deposits

Deal	Action Date	Transaction	Interest Rate	Amount	Balance
<b>Fleur Reg Aquatic 01 Dep res</b>					
Council Dep - 24HR Mthly - 59813					
	01/07/2022	Opening Balance	1.05%		\$582,409.76
59813	01/07/2022	Capitalise Interest	1.05%	\$446.74	\$582,856.50
59813	01/08/2022	Capitalise Interest	1.55%	\$727.34	\$583,583.84
59813	01/09/2022	Capitalise Interest	2.05%	\$1,000.14	\$584,583.98
59813	04/10/2022	Capitalise Interest	2.55%	\$1,177.15	\$585,761.13
59813	01/11/2022	Capitalise Interest	2.80%	\$1,377.03	\$587,138.16
59813	01/12/2022	Capitalise Interest	3.05%	\$1,467.82	\$588,605.98
59813	03/01/2023	Capitalise Interest	3.30%	\$1,625.54	\$590,231.52
59813	01/02/2023	Capitalise Interest	3.30%	\$1,654.22	\$591,885.74
59813	01/03/2023	Capitalise Interest	3.55%	\$1,583.52	\$593,469.26
59813	03/04/2023	Capitalise Interest	3.80%	\$1,886.96	\$595,356.22
59813	01/05/2023	Capitalise Interest	3.80%	\$1,859.44	\$597,215.66
61538	01/06/2023	INTEREST FROM DEAL 59813	4.05%	\$2,046.15	\$599,261.81
	30/06/2023	Closing Balance	4.30%		\$599,261.81
<b>Accrued Interest for Selected Period</b>				<b>\$16,514.66</b>	
<b>Unpaid Accrued Interest for Interest Period</b>				<b>\$2,093.32</b>	
<b>Fleur Reg Aquatic 01 Dep res Total for Selected Period</b>				<b>\$16,514.66</b>	
<b>Fleur Reg Aquatic 01 Dep res Total Unpaid for Interest Period</b>				<b>\$2,093.32</b>	
<b>Fleur Reg Aquatic General</b>					
Council Dep - 24HR Mthly - 59814					
	01/07/2022	Opening Balance	1.05%		\$8,781.36
59814	01/07/2022	Capitalise Interest	1.05%	\$6.70	\$8,788.06
59814	01/08/2022	Capitalise Interest	1.55%	\$10.92	\$8,798.98
59814	01/09/2022	Capitalise Interest	2.05%	\$14.99	\$8,813.97
59814	04/10/2022	Capitalise Interest	2.55%	\$17.83	\$8,831.80
59814	28/10/2022	SPECIAL DISTRIBUTION ON LOANS	2.80%	0	\$8,831.80
59814	28/10/2022	SPECIAL DISTRIBUTION ON DEPOSITS	2.80%	\$1,343.78	\$10,175.58
59814	01/11/2022	Capitalise Interest	2.80%	\$21.20	\$10,196.78
59814	01/12/2022	Capitalise Interest	3.05%	\$25.47	\$10,222.25
59814	03/01/2023	Capitalise Interest	3.30%	\$28.16	\$10,250.41
59814	01/02/2023	Capitalise Interest	3.30%	\$28.77	\$10,279.18
59814	01/03/2023	Capitalise Interest	3.55%	\$27.51	\$10,306.69
59814	03/04/2023	Capitalise Interest	3.80%	\$32.72	\$10,339.41
59814	01/05/2023	Capitalise Interest	3.80%	\$32.33	\$10,371.74
61539	01/06/2023	INTEREST FROM DEAL 59814	4.05%	\$35.51	\$10,407.25
	30/06/2023	Closing Balance	4.30%		\$10,407.25
<b>Accrued Interest for Selected Period</b>				<b>\$277.38</b>	
<b>Unpaid Accrued Interest for Interest Period</b>				<b>\$36.39</b>	
<b>Fleur Reg Aquatic General Total for Selected Period</b>				<b>\$277.38</b>	

Fleur Reg Aquatic General Total Unpaid for Interest Period

\$36.39

## Summary

Council	Accrued Interest	Unpaid Accrued Interest
Fleur Reg Aquatic 01 Dep res Total	\$16,514.66	\$2,093.32
Fleur Reg Aquatic General Total	\$277.38	\$36.39
<b>Grand Total</b>	<b>\$16,792.04</b>	<b>\$2,129.71</b>

# Treasury Management Policy

Creation Date & Authority Resolution		22 September 2017 / FRACA000106	
Version	2.0	Review Frequency	Triennial
Review Date	17 December 2021	Next Review Due	December 2024
Related Documents	FRACA Charter		
Applicable Legislation	Local Government Act 1999; Local Government (Financial Management) Regulations 2011		

## 1. Introduction

This policy provides clear direction to guide the Fleurieu Regional Aquatic Centre Authority (the Authority) in relation to the treasury function. It underpins the Authority's decision-making regarding the financing of its operations as documented in its annual budget and long-term financial plan and associated projected, and actual cash flow receipts and outlays.

The Authority is committed to adopting and maintaining a long-term financial plan and operating in a financially sustainable manner.

All investments and borrowings are to be made exercising care, diligence, and skill that a prudent person of business would exercise in managing the affairs of other persons.

The Authority Charter provides as follows:

### 2.1 Functions and Powers

2.1.3 *to accumulate surplus funds for investment purposes;*

2.1.4 *to establish and maintain a reserve fund or funds clearly identified for the upkeep and/or replacement of fixed assets of the Authority or meeting any deferred liability of the Authority;*

2.1.5 *to establish and maintain a cash reserve development fund or funds clearly identified for future initiatives supported by the Strategic Plan;*

2.1.7 *to borrow funds and incur expenditure in accordance with Clause 2.6;*

2.1.16 *to invest any funds of the Authority in any investment provided that:*

2.1.16.1 *in exercising this power of investment the Authority must exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons; and*

2.1.16.2 *the Authority must avoid investments that are speculative or hazardous in nature;*

2.1.16.3 *any investments must be with the Local Government Finance Authority only;*

### 2.5 Borrowings and Expenditure

2.5.2 *Subject to Clause 2.5.3 the Authority has the power to borrow money as follows:*

2.5.2.1 *in accordance with a budget adopted by the Authority as required by the Act or this Charter;*

2.5.2.2 *in respect of an overdraft facility or facilities up to a maximum amount of \$100,000;*

2.5.2.3 *with the prior approval of the Constituent Councils.*

2.5.3 *Unless otherwise approved by both of the Constituent Councils, any and all borrowings taken out by the Authority:*

2.5.3.1 *must be from the Local Government Financial Authority; and*

2.5.3.2 *in the case of fixed loans, must be drawn down within a period of 24 months from the date of approval.*

## **2. Policy Objectives**

This policy establishes a decision framework to ensure that:

- funds are available as required to support approved outlays;
- interest rate and other risks (e.g. liquidity and investment credit risks) are acknowledged and responsibly managed;
- a process is in place to monitor cash and anticipated future cash flows with surplus funds invested or disbursed in accordance with this policy; and
- the net interest costs of the Authority and the Constituent Councils associated with borrowing and investing are reasonably likely to be minimised on average over the longer term.

## **3. Policy Statements**

### **a. Treasury Management Strategy**

The Authority's operating and capital expenditure decisions are made based on:

- identified need and benefit relative to other expenditure options;
- cost effectiveness of the proposed means of service delivery; and,
- affordability of proposals having regard to the Authority's long term financial sustainability, including consideration of the cost of capital.

The Authority manages its finances holistically in accordance with its Charter and overall financial sustainability strategies and targets. This means the Authority will:

- not retain and quarantine money for particular future purposes unless required by legislation or agreement with other parties;
- borrow funds in accordance with the requirements set out in its long term financial plan; and
- apply any funds that are not immediately required to meet approved expenditure (including funds that are required to be expended for specific purposes but are not required to be kept in separate bank accounts) to reduce its level of borrowings or to defer and/or reduce the level of new borrowings that would otherwise be required.

## **b. Interest Rate Risk Exposure**

The Authority has set range limits for both fixed and variable interest rate borrowings to minimise net interest costs on average over the longer term and at the same time manage interest rate movement risks within acceptable limits. In the initial years of the Authority's operation, additional consideration will need to be given to the composition of its loan portfolio in particular the use of fixed versus variable rate borrowings. The Authority may need to consider operating outside its range limits in the initial years of operation until their borrowings reach an appropriate threshold to warrant reducing interest rate risk.

### **i. Fixed Interest Rate Borrowings**

To ensure an adequate mix of interest rate exposures, the Authority will structure its portfolio of borrowings to progressively achieve and thereafter maintain on average in any year, not less than 30% of its gross debt in the form of fixed interest rate borrowings.

To spread its exposure to interest rate movements, the Authority will aim to have a variety of maturity dates on its fixed interest rate borrowings over the available maturity spectrum.

In circumstances where the Authority needs to raise new fixed interest rate borrowings it will consider using medium to long-term borrowings (3 years or more duration) that:

- require interest payments only; and
- allow the full amount of principal to be repaid (or rolled over) at maturity.

The Authority also will ensure that no more than 30% of its fixed interest rate borrowings mature in any year.

### **ii. Variable Interest Rate Borrowings**

In circumstances where the Authority needs to raise new variable rate borrowings it will do so by utilising an *LGFA Cash Advance Debenture Facility* which enables principle to be repaid or redrawn at call. The Authority will structure its portfolio of borrowings to progressively achieve, and then maintain, not less than 30% of its gross debt on average in any year in the form of variable interest rate borrowings.

## **c. Disbursements**

The Authority's funds that are not required for operational needs and cannot be applied to either reduce existing borrowings or avoid the raising of new borrowings may be returned to the Constituent Councils as a Disbursement of Capital, subject to the following criteria:

- only cash reserves above \$250,000 shall be disbursed to allow sufficient working capital; and
- disbursement will occur on an annual basis between April and June based on the projections of the Annual Budget and Long-Term Financial Plan.

## **d. Investments**

Subject to above, the Authority's funds that are not immediately required for operational needs and cannot be applied to either reduce existing borrowings or avoid the raising of new borrowings will be invested. The balance of funds held in any operating bank account that does not provide investment returns at least consistent with 'at call' market rates shall



be kept at a level that is no greater than is required to meet immediate working capital requirements.

The Authority's funds available for investment will be lodged 'at call' or, having regard to differences in interest rates for fixed term investments of varying maturity dates, may be invested for a fixed term. In the case of fixed term investments, the term should not exceed a point in time where the funds otherwise could be applied to cost-effectively either defer the need to raise a new borrowing or reduce the level of the Authority's variable interest rate borrowing facility. Investments fixed for a period greater than 12 months are to be approved by the Constituent Councils.

When investing funds, the Authority will select the investment type which delivers the best value, having regard to investment returns, transaction costs and other relevant and objectively quantifiable factors.

The Authority may from time to time invest surplus funds in:

- deposits with the Local Government Finance Authority; and/or
- bank interest bearing deposits.

Any other investment requires the specific approval of the Constituent Councils. Where the Constituent Councils authorise any investments of a type outside of those specified above, the amount so invested will be cumulatively limited to no more than 20% of the average level of funds expected to be available for investment by the Authority over the duration of the specific authorised investments.

A Depreciation Reserve account has been established with the Local Government Finance Authority. Monies may be transferred on a quarterly basis for the purposes of funding future capital renewal.

Depreciation Reserve funds will be utilised to fund planned renewal and replacement of assets in line with the Asset Management Plan and reflected in approved Annual Budgets. Should the Authority propose to utilise Depreciation Reserve funds for any form of expenditure that is outside of the Asset Management Plan and approved Annual Budgets, approval will be required from both Constituent Councils.

#### **e. Reporting**

At least once a year the Authority Board shall receive a specific report regarding treasury management performance relative to this policy document.

The report shall highlight:

- for each borrowing and investment - the quantum of funds, its interest rate and maturity date, and changes in the quantum since the previous report;
- the average balance of funds held in non-investment accounts for the reporting period; and
- the proportion of fixed interest rate and variable interest rate borrowings at the end date of the reporting period and an estimate of the average of these proportions across this period along with key reasons for significant variances compared with the targets specified in this policy.

#### **4. Responsibilities**

The Authority Executive Officer has overall responsibility for ensuring that treasury management is conducted in accordance with legislation, Accounting Standards and Authority policies.

## **5. Delegations**

The Authority Executive Officer has the authority to implement this policy.

## **6. Availability of Policy**

This Policy will be available on the Fleurieu Aquatic Centre website.

## **7. Review**

This policy shall be reviewed by the Authority triennially.

### **Document History**

<b>VERSION</b>	<b>DOCUMENT</b>	<b>ACTION</b>	<b>DATE</b>
1.0	Approved version	FRAC Authority endorsement	22 September 2017
2.0	Approved version	FRAC Authority endorsement	17 December 2021

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**To:** FRAC Authority Board  
**From:** Kellie Knight-Stacey – Acting Executive Officer  
**Subject:** 8.1 Audit and Risk Management Committee Confidential Minutes  
**Date:** 20 October 2023  
**References:** Nil  
**Consultation:** Nil  
**Confidential**  
**Attachments:**

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## Recommendation

*Pursuant to section 90(2) of the Local Government Act 1999, the Authority orders that all members of the public be excluded, with the exception of the Acting Executive Officer, Kellie Knight-Stacey and Administration Officer, Danielle Leckie, on the basis that it will receive and consider item 8.1 Audit and Risk Management Committee Confidential Minutes.*

*The Authority is satisfied, pursuant to section 90(3)(d) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:*

*commercial information of a confidential nature (not being a trade secret) the disclosure of which –*

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
- (ii) would, on balance, be contrary to the public interest.*

*Accordingly, the Authority is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential to prevent the disclosure of commercial information of a confidential nature (not being a trade secret).*

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**To:** FRAC Authority Board

**From:** Kellie Knight-Stacey – Acting Executive Officer

**Subject:** 8.2 Executive Structure Review

**Date:** 20 October 2023

**References:** Nil

**Consultation:** Victoria MacKirdy, CEO – City of Victor Harbor  
Nigel Morris, CEO – Alexandrina Council

**Confidential**

**Attachments:**

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## **Recommendation**

*Pursuant to section 90(2) of the Local Government Act 1999, the Authority orders that all members of the public be excluded, with the exception of the Acting Executive Officer, Kellie Knight-Stacey, and Administration Officer, Danielle Leckie, on the basis that it will receive and consider item 8.2 Executive Structure Review.*

*The Authority is satisfied, pursuant to section 90(3)(d) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:*

*commercial information of a confidential nature (not being a trade secret) the disclosure of which –*

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
- (ii) would, on balance, be contrary to the public interest.*

*Accordingly, the Authority is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential as it contains information relating to the structure and resourcing of the Authority.*