



Outback Communities Authority 2016-17 Annual Report

Outback Communities Authority

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2016-17 ANNUAL REPORT for the Outback Communities Authority

To: Hon

Minister for Local Government

Minister for Regional Development

This annual report is presented to Parliament to meet the statutory reporting requirements of the *Public Sector Act 2009*, *Public Finance and Audit Act 1987* and other relevant Acts. Incorporated in this document is annual reporting by the Outback Communities Authority and meets the requirements of Premier and Cabinet Circular PC013 Annual Reporting.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Outback Communities Authority by:

Mark Robert Sutton

Director, Outback Communities Authority

Signature



Date

8/12/17

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Section A: Reporting required under the *Public Sector Act 2009*, the *Public Sector Regulations 2010* and the *Public Finance and Audit Act 1987*

Agency purpose or role

The Outback Communities Authority (OCA) was established pursuant to the Outback Communities (Administration and Management) Act 2009 and commenced operations on 1 July 2010. The OCA replaced the Outback Areas Community Development Trust as the management and governance authority for the outback.

The OCA has responsibility for the management and local governance of the unincorporated areas of South Australia and to articulate the views, interests and aspirations of outback residents. The region encompasses 63% of the State of South Australia and is home to approximately 4,500 people who reside in a number of small townships and numerous smaller settlements including pastoral, farming and tourism enterprises.

From 1 July 2014 the OCA has sat administratively within the Department of Planning Transport and Infrastructure (DPTI), accountable to the Hon Geoff Brock MP, Minister for State and Local Government.

The OCA's structure is unique in the Australian context as it performs some functions traditionally undertaken by Local Government and some which usually fall within the jurisdiction of State Governments.

In performing its functions, the OCA is:

- a) Primarily to foster and support the provision of public services and facilities to outback communities by community organisations, including by making grants and loans to such organisations; and
- b) To consider long-term requirements for maintenance, replacement and development of infrastructure for public services and facilities for outback communities; and
- c) To consider State and national objectives and strategies that are relevant to outback communities; and
- d) To seek ongoing collaboration with local, State and national governments in the planning and delivery of public services and facilities to outback communities; and
- e) To ensure that there are systems in place to further its understanding of the views, interests and aspirations of outback communities; and
- f) To facilitate decision making by others on a basis that is well informed in relation to the views, interests and aspirations of outback communities, including by participating in appropriate local, State and national forums; and
- g) To provide services with a high level of efficiency and effectiveness, manage resources effectively, prudently and in a fully accountable manner and maintain and enhance the value of public assets.

Objectives

The Outback Communities Authority's objectives are to:

- a) provide for efficient and accountable administration and management of outback communities; and
- b) promote participation of outback communities in their administration and management; and
- c) raise revenue for public services and facilities in the outback.

Key strategies and their relationship to SA Government objectives

Key strategy	SA Government objective
<p>Outback Community Parks and Upgrade project.</p> <p>The OCA partnered with 9 outback communities to implement 4 new and upgrade 5 existing recreational areas. This project provides opportunities for local residents and the general public to enjoy open space areas and participate in local events.</p>	<p>Target 1: Urban spaces: Increase the use of public spaces by the community.</p>

Key strategy	SA Government objective
<p>Support of tourism initiatives in outback SA:</p> <ol style="list-style-type: none"> 1. The OCA partnered with SA Tourism Commission, Flinders Ranges and Outback SA Tourism, Port Augusta City, Coober Pedy, Flinders Ranges and Roxby Downs Councils to provide funding to Regional Development Australia Far North for a regional Tourism Officer position. 2. Refer to pages 7, 9 and 14 regarding the Outback Community Parks Upgrade project, where 9 parks were upgraded, increasing tourism opportunities. 3. The OCA partnered with History SA and the Marree Progress Association to open a railway museum in Marree. This new venture was welcomed by the Marree community and surrounding region, as it commemorates the vital link the town provided in transportation in South Australia's far north. The Museum has increased tourism opportunities in Marree. 	<p>Target 4: Tourism Industry: Increase visitor expenditure in South Australia's total tourism industry to \$8 billion and on Kangaroo Island to \$180 million by 2020.</p>
<p>Supporting the Oodnadatta community:</p> <p>In 2016-17 this project ensured the ongoing delivery of municipal services and delivered an animal health program to Aboriginal people residing in Oodnadatta, SA.</p>	<p>Target 6: Aboriginal Wellbeing: Improve the overall wellbeing of Aboriginal South Australians.</p>

Key strategy	SA Government objective
<p>Sporting and recreational opportunities:</p> <p>Through the 2016-17 Community Affairs Resourcing and Management (CARM) agreements, the OCA approved funding for 9 communities for projects associated with sport and recreational initiatives. Projects ranged from community hall refurbishments, implementation of a skate park and local tennis coaching for the younger generation.</p> <p>The OCA recognises the importance of work-life balance and the significance of communities bringing people together enhancing community cohesion.</p>	<p>Target 13: Work-life Balance: Improve the quality of life of all South Australians through maintenance of a healthy work-life balance.</p>
<p>Outback Community Parks Upgrade project:</p> <p>Preliminary works on this project commenced in late June 2016 and it is envisaged that the project will be completed by September 2017.</p> <p>The project involved 4 new recreational areas and upgrades to 5 existing areas, providing more opportunities for local residents and the general travelling public to participate in activities in open spaces. The OCA partnered with volunteers in 9 communities to implement park areas, specific to each community, benefitting locals and also the general public.</p> <p>Funding for this project is provided by the DPTI, Open Space and Places for People Grant Fund Program and the Department of Primary Industries and Regions SA, Upper Spencer Gulf and Outback Futures Program.</p>	<p>Target 23: Social participation: Increase the proportion of South Australians participating in social, community and economic activities by 2020.</p>

Key strategy	SA Government objective
<p>Sustaining outback communities:</p> <p>The OCA supports 25 communities within the unincorporated areas of SA. The support of local volunteers ensures that outback communities are sustained. The OCA provides annual financial assistance to assist local volunteers provide municipal services to community residents, services taken for granted in other areas of South Australia.</p>	<p>Target 24: Volunteering: Maintain a high level of formal and informal volunteering in SA at 70% participation rate or higher.</p>

Agency programs and initiatives and their effectiveness and efficiency

Program name	Indicators of performance/effectiveness/efficiency	Comments
<p>Leigh Creek Transition</p>	<p>Waste Management:</p> <p>The OCA, through its waste management contractor, is managing the Leigh Creek Landfill site and rubbish collection service for the Leigh Creek township residences and businesses. A waste collection service to Housing SA residents in the nearby Copley township was reintroduced in early 2017. The OCA is working to broaden this service by introducing recycling initiatives and additional collection services.</p> <p>Leigh Creek Airport:</p> <p>The OCA assumed operation and management of the Leigh Creek Airport on 1 January 2017. The facility is being fully maintained in a ‘business as usual’ manner, ensuring that it continues to serve the Northern Flinders Ranges community.</p> <p>In early 2017, the OCA project managed refurbishment works at the Terminal and adjacent Training Rooms which modernised the versatile facilities in preparedness to support recommendations of the Leigh Creek Futures report for economic development activity, such as pilot training and scenic flight operation. The OCA is progressing installation of a WiFi hotspot at the Terminal to increase digital connectivity for visitors to the area.</p>	<p>In June 2015 Alinta Energy announced that its Flinders Operations in Port Augusta (Northern and Playford B Power Stations) and Leigh Creek (Leigh Creek Mine) would not operate beyond March 2018. The Government established the Upper Spencer Gulf and Outback Taskforce to manage the government’s response to the Alinta announcement. The Taskforce proposed that DPTI and the OCA oversee the Leigh Creek transition to SA Government, commencing 1 January 2017.</p>

Program name	Indicators of performance/effectiveness/efficiency	Comments
Outback Community Parks Upgrade project.	<p>A total of 9 communities benefitted from this project, increasing the network of recreational areas in remote South Australia.</p> <p>Six communities implemented shelters providing more opportunities for local residents and the general public to use outdoor space whilst undercover.</p> <p>Three communities upgraded existing recreational areas, value adding outdoor equipment and improving aesthetics.</p> <p>Oodnadatta heritage has been preserved by locals restoring equipment.</p> <p>Included in this broad project was the installation of 2 new UHF towers, located on Hiltaba and Witchelina pastoral stations. The OCA owns 40 UHF towers across its region providing a communication network in very remote areas.</p>	<p>In 2016-17 4 new recreational areas were implemented in the unincorporated areas of South Australia, while a further 5 existing recreational areas were upgraded.</p> <p>It is anticipated that this project will be completed by 30 September 2017.</p> <p>Funding for this project is provided by DPTI, Open Space and Places for People Grant Fund Program and the Department of Primary Industries and Regions SA (PIRSA), Upper Spencer Gulf and Outback Futures Program.</p>
Municipal and Essential Services – Dunjiba Community	<p>Regular delivery of municipal services to the Oodnadatta community ensured waste removal services, minor landfill maintenance and local landscaping and dust control measures were provided. Using local employment a large shade structure for the community park and playground area was erected.</p> <p>An animal management program which involved a professional veterinary service visiting Oodnadatta twice in 2016-17 to assist with improving the health and condition of local dogs owned by residents. Local participation numbers in this program continue to be positive with an average of 33 locals taking advantage of each veterinary clinic.</p>	<p>Since 2006 the OCA has project managed this initiative. In 2016-17 DPTI provided \$104,242 (ex gst) funding to the OCA to implement and manage this project. The project improves the recreational areas of the Oodnadatta community and provides opportunities for social interaction.</p>

<p>Community Assistance</p> <p>1. Sport and Recreation</p> <p>2. Community Projects</p> <p>3. Youth Programs</p>	<p>Wide community and regional benefit through sport and recreational opportunities, financially supported by the OCA.</p> <p>The OCA financially supports remotely located communities which enables the delivery of local projects resulting in wide community and regional benefit.</p> <p>The OCA financially supported youth groups in remote communities resulting in wide community and regional benefit. The youth programs provide opportunities for youth to increase their skill base, value adding and helping to sustain communities.</p>	<p>The OCA provided financial sponsorship to 7 outback events in 2016-17. Outback events such as gymkhanas and community race meets are well attended and provide an opportunity for community and pastoral members to meet and network. The OCA also provided financial assistance to the Isolated Children's Parents' Association with their annual State Conference, supporting outback educational initiatives.</p> <p>In 2016-17 the OCA supported 10 outback communities with funding for local projects. Projects are managed by local volunteers and ranged from upgrades to waste areas, solar batteries and improving local historical signage.</p> <p>In 2016-17 the OCA funded and facilitated the resurgence of youth groups in the Andamooka, Marree and Oodnadatta, communities. Attendance at activities specific to the youth in the communities has been very good, providing an opportunity for the young adults to meet and discuss matters of local importance.</p>
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Program name	Indicators of performance/effectiveness/efficiency	Comments
Community Assistance – Community Affairs Resourcing and Management (CARM) Agreements	<p>The OCA provided financial support totalling \$240,000 to 22 outback communities through the 2016-17 CARM agreements</p> <p>Provision of municipal services to outback communities, improved local infrastructure and social interaction opportunities.</p> <p>The OCA also supports outback communities by paying for the cost of streetlights ensuring local residents and the general public feel safer when moving around after dark. OCA support for streetlights in 2016-17 totalled \$13,600.</p>	<p>Progress Associations are often the peak body in each community with members being the local volunteers. In 2016-17 the OCA partnered with outback communities through CARM agreements. CARM agreements are a formal arrangement which confirms funding provided by the OCA over the course of a financial year and includes funds to assist with the delivery of municipal services, community insurance costs and in some cases, management of local airstrips.</p>
Outback Beverage Recycling Project	<p>Beltana, Marree, Oodnadatta and Pimba benefitted from a new initiative where the opportunity to recycle rubbish was implemented. New recycling bins were installed by workers through the Community Development Program and local volunteers resulting in decreased general waste in these communities.</p>	<p>On behalf of 4 outback communities, the OCA applied for and was granted funding from Keep South Australia Beautiful.</p>

Legislation administered by the agency

As at 30 June 2017, the OCA was responsible for administering the following legislation:

Outback Communities (Administration and Management) Act 2009.

Organisation structure

Membership

The Outback Communities Authority (OCA) was established on 1 July 2010 under the *Outback Communities (Administration and Management) Act 2009* (the Act) as a result of legislative changes passed by Parliament in late 2009.

The OCA Board consists of 7 members, of whom at least 4 are to be members of different outback communities and at least 1 member must be female and 1 a male. The members are appointed by the Governor. Members of the OCA are appointed for either an 18 month term or a 3-year term, ensuring business continuity when membership changes. At the conclusion of serving terms, members may apply to be reappointed.

On 5 July 2016 the Minister for Local Government, the Hon Geoff Brock MP announced the appointment of 1 new member and the reappointment of 3 members to the OCA.

Throughout 2016-17 serving OCA members and their terms were:

Ms Cecilia Woolford, Chairperson: 1 July 2016 – 30 June 2019 (reappointment)

Mrs Joyleen Booth: 1 July 2016 – 30 June 2019 (reappointment)

Mr Mark Fennell: 1 July 2016 – 30 June 2019 (new appointment)

Ms Jan Ferguson: 1 July 2016 – 31 December 2017 (reappointment)

Ms Jo Fort: 12 March 2015 – 31 December 2017

Ms Mary Marsland: 12 March 2015 – 31 December 2017

Mr Chris Michelmore: 12 March 2015 – 31 December 2017.

Support Staff

The Office for the OCA in Port Augusta was supported by 10 staff in 2016-17; 7 permanent employees, 2 contracted and 1 trainee. An existing ongoing Business Support position was filled from 20 March 2017.

In June 2015 Alinta Energy announced that its Flinders Operations in Port Augusta (Northern and Playford B Power Stations) and Leigh Creek (Leigh Creek Mine) would not operate beyond March 2018. The Government established the Upper Spencer Gulf and Outback Taskforce to manage the government's response to the Alinta announcement. The Taskforce proposed that DPTI and the OCA oversee the Leigh Creek transition to SA Government which occurred on 1 January 2017. The Northern Flinders Project Officer, a one-year contract position was filled in February 2016 and subsequently extended for a further year until January 2018. This position provides executive support to the Leigh Creek Futures Committee Chaired by Dr Jane Lomax-Smith, transition support to the many community based organisations and groups in the Northern Flinders Ranges region and assists the OCA to manage municipal service delivery aspects. The Manager, Leigh Creek Contracts and Services commenced on 3 January 2017 is based in Leigh Creek, is contracted until December 2018 and is responsible for leading the efficient and effective delivery of day to day administration of the Leigh Creek township.

In March 2016 the OCA employed a trainee for a 2year term with support through the Regional Youth Traineeship Program, funded through the State Government Region's SA Jobs Accelerator Fund. In 2016 the trainee successfully completed Certificate 3 Business Administration while in 2017 he worked toward Certificate IV Community Development.

Up until 30 May 2015 the Andamooka Town Management Committee (a Section 11 Committee of the OCA) were supported by a Community Administrator, being a contract position. Since 2015-16 administration support to the Andamooka Town Management Committee has been provided by a local external contractor; this role remains in place.

The 9 employees located in the Port Augusta office support 25 remotely located communities and although the support staff are low in number, the support is well managed and can relate to matters as broad as seeking external grants, maintaining and developing new infrastructure to community development and dog registrations.

The business of the OCA is delivered through three specific yet fully integrated units within the Office for the OCA. Those units together represent the broad business focus for the OCA:

- Corporate
- Infrastructure and
- Community Development. <http://oca.sa.gov.au/OrgChart>

Employment opportunity programs

Program name	Result of the program
Outback Community Parks	<p>Upgrade to 9 outback community parks, implementation of 2 new UHF towers and 2 new water filtration stations. Preliminary works on this project commenced in late June 2016 and it is envisaged that the project will be completed by September 2017.</p> <p>The project will provide local employment opportunities, although a large number of volunteer hours is required by outback residents to ensure project success. The 2 new UHF towers will value add to the OCA's existing UHF network while the two water filtration stations will provide quality water in the remote communities of Marla and Oodnadatta.</p> <p>Funding for this project is provided by the DPTI, Open Space and Places for People Grant Fund Program and PIRSA, Upper Spencer Gulf and Outback Futures Program.</p>
Municipal and Essential Services – Dunjiba Community	<p>Delivery of municipal services to the Oodnadatta community, creating opportunities for local employment with the Dunjiba Community Council.</p> <p>The OCA has successfully project managed this project for approximately nine years.</p>
Outback Communities Authority Infrastructure	<p>Across the OCA's infrastructure base which includes 19 public conveniences, 40 UHF towers, 4 community waste water treatment schemes and 2 community airstrips, various local employment opportunities are available under a contract basis. Work includes repairing and or maintaining the infrastructure and ensuring safe access to the outback airstrips owned by the OCA.</p>
Viewing Platform, Fowlers Bay	<p>Increased tourism opportunities for the Fowlers Bay community, providing opportunities for whale watching from the town foreshore area. Local trades people implemented this project, helping to sustain employment in the region.</p>

Agency performance management and development systems

Performance management and development system	Assessment of effectiveness and efficiency
<p>Outback Communities Authority Policy.</p>	<p>The OCA has a range of policy underpinning its operations. Governance, Community Support and Development and Infrastructure Services policies are regularly reviewed by the Board and support the functions and objectives of <i>the Outback Communities (Administration and Management) Act 2009</i> to:</p> <ul style="list-style-type: none"> • Manage the provision of public services and facilities to outback communities; • Promote improvements in the provision of public services and facilities to outback communities; and • Articulate the views, interests and aspirations of outback communities.
<p>Training and Development Opportunities</p>	<p>The OCA supports its staff and OCA Members with training and development opportunities. In 2016-17 the following training was undertaken, value adding to staff development and the OCA organisation:</p> <ul style="list-style-type: none"> • 3 staff attended media training • 1 staff member attended DPTI Induction training • 2 staff attended Objective training • 1 staff member attended the Australian Regional Tourism Convention • 2 staff attended dog and cat management training • 1 staff member attended Records Management training • 2 staff attended Having Difficult Conversations training • 1 staff member attended Safe Group Incident Investigation training • 1 staff member attended AGFMA Systems training • 3 staff attended Enterprise Risk Management training

Occupational health, safety and rehabilitation programs of the agency and their effectiveness

The health and safety of all employees, visitors and guests is considered to be of the utmost importance to the OCA. The OCA is firmly committed to providing a safe and healthy work place and that our work practices will not compromise the health or safety of others present at the workplace.

To achieve this, the OCA makes every effort where reasonably practicable to eliminate or minimise risks associated with the workplace and the work performed by workers. Health and safety at work is both an individual and shared responsibility of all workers and it is with this in mind that monthly Team Meetings are held where all OCA employees, PIRSA and Rural Solutions SA staff who share the office environment are encouraged to attend. The Team Meetings promote workplace health and safety as a normal component of all aspects of work. In the 2016-17 year, 9 Team Meetings were held where matters relating to work, health and safety, office matters and general staff workloads were discussed. Throughout the year, 9 emergency evacuation trials were successfully completed. The OCA strongly encourages 'buy-in' from employees with regard to identifying and eliminating hazards, practices and behaviour that could result in an accident, injury or illness to another employee, contractor, visitor and the general public. Due to low staff resources, staff agreed that although there is not a specific Work Health and Safety Representative for the office, all staff are responsible for:

- Working in a healthy and safe manner;
- Encouraging others to work in a healthy and safe manner;
- Supporting and promoting workplace health and safety at the workplace; and
- Responding to any unsafe conditions that are reported or that come to a person's attention.

The OCA's area of operations is the unincorporated areas of South Australia, some 625,000 square kilometres or 8% of Australia. The OCA works closely with the outback communities it supports which entails extensive travel by staff in remote areas. Staff acknowledge that fatigue due to lengthy travel times and animals wandering on the road remain the biggest risk to employees. The office for the OCA has initiated mandatory use of a SPOT GPS Messenger device when staff travel in remote areas. The Messenger device reports on an employee's location and employees are also required to contact the Office for the OCA at least once in a 24-hour period. Staff at the Office for the OCA monitor each trip ensuring contact is maintained and a safe return from all trips is achieved. All remote area travel vehicles are also equipped with Satellite Telephones for emergency use.

The OCA is determined to retain its current record as an injury free workplace and is committed to ensuring that work health and safety related matters are effectively communicated to workers through a variety of avenues including Team Meetings, noticeboards and emails.

The OCA works with the DPTI in the development and implementation of agency work, health and safety policies encouraging employees to provide comment at all times.

Fraud detected in the agency

The OCA did not find any evidence of fraudulent activity in the 2016-17 year.

Financial services are provided to the OCA by Shared Services and the DPTI. The OCA ensures that approval of financial transactions are within the financial delegations as attributed by DPTI and the internal control environment.

Strategies implemented to control and prevent fraud

The OCA's financial activities are supported by DPTI's Financial Management policies which include but are not confined to guidelines regarding financial delegations and authorisations, audits and information security controls.

Pursuant to Section 18 of the *Outback Communities (Administration and Management) Act 2009*, audited statements of income and expenditure of the OCA, together with details of the items of income and expenditure must be included in the OCA's Annual Report.

Whistle-blowers' disclosure

Throughout 2016-17 the OCA did not have any occasions on which public interest information was disclosed to a responsible officer of the agency under the *Whistle-blowers' Protection Act 1993*.

The OCA is an administered item within the Department of Planning, Transport and Infrastructure. In 2016-17 DPTI confirmed that there had been no instances of disclosure of public interest to a responsible officer of the department (https://dpti.sa.gov.au/annual_report/2014-15/reporting_section/fraudwhistleblowers)

Executive employment in the agency

Executive classification	Number of executives
Director	1

As at 30 June 2017 no OCA employees applied for, or received targeted voluntary separation packages.

Data for the last five years is not available electronically but may be requested from the Office for the Outback Communities Authority.

For further information, the [Office for the Public Sector](#) has a [data dashboard](#) detailing further information on the breakdown of executive gender, salary and tenure by agency.

Consultants and Contractors

The OCA did not engage external consultants during 2016-17, however the following is a summary of external contractors that were engaged by the OCA, the nature of work undertaken and the total cost of the work undertaken.

Contractors	Purpose	Value \$
Contractors above \$10,000 each		
Central Civil and Plumbing	Community Waste Management System maintenance	21,075
Dunjiba Community Council	Oodnadatta delivery of municipal services, airstrip management	47,200
Echelon Pty Ltd	Valuation of community assets	21,164

Contractors	Purpose	Value \$
Flinders Management Services	Leigh Creek and Copley waste management services	19,440
Flinders Ranges Council	Andamooka and Iron Knob community contributions administration	14,197
W Ferguson	Leigh Creek town maintenance	27,265
LG Systems Inc	Software support, Andamooka and Iron Knob community contributions	34,912
S Lyons	Administration support, Andamooka	56,523
Northern Earthmoving & Engineering Pty Ltd	Andamooka road maintenance, waste area management	199,625
Randstadt Pty Ltd	Contract labour hire, Leigh Creek and OCA office	58,072
State Wide Pool Services	Leigh Creek swimming pool maintenance	24,910
Tredwell Management	Outback Region Sport, Recreation and Open Space Strategy	14,870
Outback Landscaping & Supplies	Andamooka town maintenance	41,532
D Waters	Andamooka youth development	11,347
Contractors below \$10,000 each		
D Ackland	Leigh Creek, cleaning services	6,832
Andamooka Progress and Opal Miners Association	Andamooka youth development	2,000
ARB Corporation	OCA vehicle fit out	6,943
Balnaves Mining and Construction	Oodnadatta landscaping	3,640
Bug Logic	Outback communities photography	6,000
Complete Personnel	Outback youth programs support	1,307
Dunn and Bradstreet	Andamooka and Iron Knob debt collection services	1,072
Hage Contracting	Leigh Creek town maintenance	3,412
ID Consulting Pty Ltd	Profile ID annual subscription	4,000
Innovative Consulting Pty Ltd	OCA Strategic Planning process	5,650
Kellercom Pty Ltd	Andamooka, location of underground services	6,700
Magryn	Outback Community Parks Upgrade project, certification of various shelters	2,750
J Mannion	Pimba and Parachilna, historical research	4,379

Contractors	Purpose	Value \$
Parachilna Sport and Community Association	Town maintenance	3,580
Redgum Vet and Pet Boarding	Oodnadatta animal management	7,958
Straight Lines Consultancy	Professional services	7,500
E Strawbridge	Marla community waste water management system and airstrip maintenance	5,257
G Warren	Outback Community Parks Upgrade project, installation of shelter	1,000
Total all contractors		\$173,117
<p>The OCA has a network of 19 public conveniences in remote locations throughout the unincorporated areas of South Australia. In 2016-17, 19 cleaning contractors were employed by the OCA to maintain the public conveniences to a high standard. The cost of providing this service to the general travelling public was \$167,741. Individual cleaning contractors have not been included in the tables above.</p>		

Data for the last five years is not available electronically but may be requested from the Office for the Outback Communities Authority.

See also <https://www.tenders.sa.gov.au/tenders/index.do> for a list of all external consultancies, including nature of work and value. See also the Consolidated Financial Report of the Department of Treasury and Finance <http://treasury.sa.gov.au/> for total value of consultancy contracts across the SA Public Sector.

Financial performance of the agency

The following is a brief summary of the overall financial position of the agency. Attached to this report are the OCA full audited financial statements for 2016-17.

The OCA's principal funding sources are the Commonwealth Government Local Government Financial Assistance Grants provided through the South Australian Local Government Grants Commission and an appropriation received annually from the South Australian Government. In 2016-17 the OCA received \$2,177,000 through the Financial Assistance Grants and \$1,220,000 South Australian Government appropriation. The increase in funding through the South Australian Government appropriation from 2016-17 is due to the OCA taking on new responsibilities to support Leigh Creek as it transitions to an independent future. (refer to page 9).

Taking on the new responsibility of transitioning Leigh Creek as of 1 January 2017 resulted in the OCA receiving free of charge land and buildings from the Generation Lessor Corporation to the value of \$6,401,000. The OCA will undertake an extensive review of the land and buildings over the forthcoming financial year and develop maintenance programs for those items recognised as being of community value.

Funding totalling \$104,000 was received for a project specific to the Oodnadatta community, from the Department of the Prime Minister and Cabinet (Australian Government), while \$260,000 funding was jointly provided by the Department of Planning Transport and Infrastructure and Department of Primary Industries and Regions SA for the Outback Community Parks project (refer to page 8 and 15).

As at 30 June 2016 the OCA had received a combined amount of \$304,000 from the Community Contribution Schemes in place in the Andamooka and Iron Knob communities.

The OCA again in 2016-17 continued to manage the unsealed roads within the Andamooka community on behalf of DPTI who provided in total, funding of \$167,000. The funding comprised of \$50,000 for maintenance which is negotiated and agreed to annually by DPTI. In addition to the maintenance funding DPTI provided an additional \$117,000 to the OCA through the Roads to Recovery program for the purposes of re-sheeting roads in Andamooka under an agreed re-sheeting program.

The increase in employee expenses from 2015-16 to 30 June 2017 can largely be attributed to the employment of the Manager position based at Leigh Creek, funded through SA Government Appropriation.

An increase of approximately 29% in spending on supplies and services from 2015-16 to 2016-17 can predominantly be attributed to the OCA taking on the new responsibility of Leigh Creek, managing property and utilities and implementation of the Outback Community Parks project. The OCA's focus on supporting outback communities saw \$254,000 returned to the outback region supporting the delivery of municipal services, community projects and social and recreational events. Approximately \$462,000 was spent ensuring the OCA's outback infrastructure is maintained to a high standard covering, remote airstrips, public conveniences, UHF towers and community waste management systems.

Refer to the 2016-17 Financial Statements for a full financial review.

Every three years the OCA revalue its non-current assets. If however at any time the OCA consider that the carrying amount of an asset differs materially from its fair value, the asset will be revalued regardless of the specified three-year schedule. The most recent revaluation of OCA owned assets was completed in June 2015 by Maloney Field Services.

The OCA has assets worth \$14,571,000 in the form of various land and buildings located at Leigh Creek, and an extensive network of infrastructure in the unincorporated areas of South Australia being, 19 public conveniences, 2 airstrips, 40 UHF towers and 5 community waste water management systems (although one is non-operational).

Section B: Reporting required under any other Act or Regulation

Dog and Cat Management – *Dog and Cat Management Act 1995*

In Part 1, Section 4 of the *Dog and Cat Management Act 1995* the Outback Areas Community Development Trust (OACDT) (predecessor to the Outback Communities Authority) is described as a council and where the Act refers to a council's area, the former OACDT's area (and now the OCA's area) of responsibility is acknowledged. The OCA reports to the Dog and Cat Management Board at the end of each financial year, pursuant to the requirements of the *Dog and Cat Management Act 1995*. The reporting confirms the number of dog registrations and expiations that have occurred in the unincorporated areas of South Australia for each financial year.

Water Retail License – *Water Industry Act 2012*

Under the terms of its water retail license, the Office for the OCA has various regulatory reporting obligations including the submission to the Essential Services Commission of annual reports on regulatory compliance, price monitoring and financial operational performance data. At the request of the Copley Progress Association, the OCA manages the Copley community water supply, repairing and maintaining the infrastructure, undertaking water meter readings and subsequently remitting tax invoices to landowners using water.

Section C: Reporting of public complaints as requested by the Ombudsman

In 2016-17 the Outback Communities Authority was not required to report of any public complaints as requested by the Ombudsman.

Appendix: Audited financial statements 2016-17

Outback Communities Authority CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached general purpose financial statements for the Outback Communities Authority:

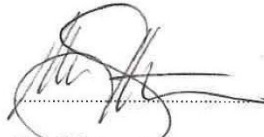
- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the Outback Communities Authority, and
- present a true and fair view of the financial position of the Outback Communities Authority as at 30 June 2016 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Outback Communities Authority for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Cecilia Woolford
CHAIRPERSON
OUTBACK COMMUNITIES AUTHORITY

16th November 2016



Mark Sutton
DIRECTOR
OUTBACK COMMUNITIES AUTHORITY

16th November 2016

Outback Communities Authority

Financial Statements

for the year ended 30 June 2017

Outback Communities Authority
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2017

	Note No	2017 \$'000	2016 \$'000
Expenses			
Employee benefit expenses	4	969	877
Supplies and services	5	2,230	1,721
Depreciation expense	6	384	264
Grants and subsidies	7	349	216
Other expenses	8	371	73
Total expenses		4,303	3,151
Income			
Advances and grants	9	2,840	1,036
Interest revenue	10	16	14
Resources received free of charge	11	6,401	-
Other income	12	635	538
Total income		9,892	1,588
Net cost of providing services		5,589	(1,563)
Revenues from SA Government			
Revenues from SA Government	13	1,220	632
Net revenues from SA Government		1,220	632
Net result		6,809	(931)
Other comprehensive income			
Total other comprehensive income		-	-
Total comprehensive result		6,809	(931)

The net result and comprehensive result is attributable to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes.

Outback Communities Authority
STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

	Note	2017	2016
	No	\$'000	\$'000
Current assets			
Cash	14	1,113	137
Receivables	15	545	454
Total current assets		1,658	591
Non-current assets			
Property, plant and equipment	16	14,571	8,653
Total non-current assets		14,571	8,653
Total assets		16,229	9,244
Current liabilities			
Payables	17	204	49
Employee benefits	18	140	129
Total current liabilities		344	178
Non-current liabilities			
Payables	17	31	30
Employee benefits	18	334	325
Provisions	19	1	1
Total non-current liabilities		366	356
Total liabilities		710	534
Net assets		15,519	8,710
Equity			
Retained earnings		11,673	4,742
Asset revaluation surplus		3,846	3,968
Total equity		15,519	8,710

The total equity is attributable to the SA Government as owner.

Unrecognised contractual commitments 21

Contingent assets and liabilities 22

The above statement should be read in conjunction with the accompanying notes.

Outback Communities Authority
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2017

	Note	Asset revaluation surplus	Retained earnings	Total equity
	No	\$'000	\$'000	\$'000
Balance at 30 June 2015		1,629	5,444	7,073
Prior Period - error corrections identified in 2016-17	20	-	(3)	(3)
Prior Period - error corrections identified in 2015-16		2,339	232	2,571
Restated Balance at 30 June 2015		3,968	5,673	9,641
Net result for 2015-16	20	-	(931)	(931)
Total Comprehensive Result for 2015-16		-	(931)	(931)
Balance at 30 June 2016		3,968	4,742	8,710
Net result for 2016-17		-	6,809	6,809
Total Comprehensive Result for 2016-17		-	6,809	6,809
Transfer between equity components				
Equity transfer on asset disposals		(122)	122	-
Balance at 30 June 2017		3,846	11,673	15,519

All changes in equity are attributable to the SA Government as owner.

Outback Communities Authority
STATEMENT OF CASH FLOWS
for the year ended 30 June 2017

	Note No	2017 \$'000 Inflows (Outflows)	2016 \$'000 Inflows (Outflows)
Cash flows from operating activities			
Cash outflows			
Employee benefit payments		(949)	(793)
Supplies and services		(2,075)	(1,857)
Grants and subsidies		(349)	(266)
Other payments		(31)	(73)
Cash used in operations		(3,404)	(2,989)
Cash inflows			
Advances and Grants		2,840	1,028
Interest received		20	9
Other receipts		540	491
Cash generated from operations		3,400	1,528
Cash flows from (payments to) SA Government			
Receipts from SA Government		1,220	632
Cash generated from SA Government		1,220	632
Net Cash provided by (used in) operating activities		1,216	(829)
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(240)	(184)
Net Cash Used in investing activities		(240)	(184)
Net increase / (decrease) in cash		976	(1,013)
Cash at 1 July		137	1,150
Cash at 30 June	14	1,113	137

The above statement should be read in conjunction with the accompanying notes.

Outback Communities Authority Notes to and forming part of the financial statements

Note 1: Objectives of the Outback Communities Authority

As defined in the *Outback Communities (Administration and Management) Act 2009*, the functions of the Outback Communities Authority ("the Authority") are:

- to manage the provision of public services and facilities to outback communities;
- to promote improvements in the provision of public services and facilities to outback communities; and
- to articulate the views, interests and aspirations of outback communities.

In performing its functions the Authority is to:

- foster and support the provision of public services and facilities to outback communities by community organisations, including by making grants and loans to such organisations;
- consider long-term requirements for maintenance, replacement and development of infrastructure for public services and facilities for outback communities;
- consider State and national objectives and strategies that are relevant to outback communities;
- seek ongoing collaboration with local, State and national governments in the planning and delivery of public services and facilities to outback communities;
- ensure that there are systems in place to further its understanding of the views, interests and aspirations of outback communities;
- facilitate decision making by others on a basis that is well informed in relation to the views, interests and aspirations of outback communities, including by participating in appropriate local, State and national forums; and
- provide services with a high level of efficiency and effectiveness, manage resources effectively, prudently and in a fully accountable manner, and maintain and enhance the value of public assets.

Note 2: Significant Accounting Policies

a) Statement of Compliance

The Authority has prepared these financial statements in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general-purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards (Reduced Disclosure Requirements) and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

The Authority has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Authority is a not-for-profit entity.

b) Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates where management is required to exercise its judgement in the process of applying the Authority's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with accounting policy statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the accounting policy statements require the following note disclosures, which have been included in these financial statements:

Outback Communities Authority
Notes to and forming part of the financial statements

- (a) employees whose normal remuneration is equal to or greater than the base executive remuneration level and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the Authority to those employees;
- (b) board/committee member and remuneration information where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The financial statements have been prepared on a 12 month operating cycle and presented in Australian currency.

c) Reporting Entity

The Authority is established and empowered by the *Outback Communities (Administration and Management) Act 2009* ("The Act") which is within the portfolio responsibilities of the Minister for Local Government. The Act also defines the areas of the State to which its provisions apply, sets out the Authority's powers and functions and makes provision for the support staff. It also enables specific provisions of the *Local Government Act 1999* to be applied by regulation to part, or all, of the Authority's area. The Act further requires the yearly statement of accounts of the Authority to be audited by the Auditor-General and that the Authority provides an annual report to the State Parliament.

The Authority does not control any other entity and has no interests in unconsolidated structured entities. The Authority has not entered into any contractual arrangements which involve the sharing of control or significant influence over another entity.

d) Comparative Information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change.

The restated comparative amounts do not replace the original financial statements for the preceding period.

e) Rounding

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

f) Taxation

The Authority is not subject to income tax. The Authority is liable for payroll tax, fringe benefits tax, goods and services tax (GST) and the emergency services levy.

Income, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable.
- Receivables and payables which are stated with the amount of GST included.

The net amount of the GST receivable/payable to the ATO is not recognised as a receivable/payable in the Statement of Financial Position as the Authority is a member of an approved GST group of which the Department of Planning, Transport and Infrastructure is responsible for the remittance and collection of GST.

There are no cash flows relating to GST transactions with the ATO in the Statement of Cash Flows.

Outback Communities Authority
Notes to and forming part of the financial statements

g) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June and are material. Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

h) Current and non-current classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within 12 months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

i) Non-current Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Acquisition and recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation. All non-current tangible assets with a value equal to or in excess of \$10,000 are capitalised.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements then the assets are recognised at book value ie the amount recorded by the transferor public authority immediately prior to the restructure.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential. Depreciation is applied to tangible assets such as property, plant and equipment.

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate on an annual basis.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

Land is not depreciated.

Depreciation is calculated on a straight line basis over the estimated useful life of the following classes of assets as follows:

Class of asset	Useful life (years)
Buildings and infrastructure	9-100
Water, sewerage and drainage	38-108
Plant and equipment	5-36

Outback Communities Authority
Notes to and forming part of the financial statements

Revaluation of non-current assets

All non-current assets are valued at written down current cost (a proxy for fair value), and revaluation of non-current assets or group of assets is only performed when its fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than three years.

The Authority generally revalues its assets every three years and always within 6 years depending on the nature or purpose for which that asset is held. However, if at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation where they are revalued to fair value.

Revaluation movements are recorded in the Revaluation reserves. Any accumulated depreciation as at revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset

Upon disposal or derecognition, any revaluation surplus relating to that asset is transferred to retained earnings.

Impairment

All non-current tangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. The recoverable amount is determined as the higher of the asset's fair value less costs of disposal and depreciated replacement costs. An amount by which the assets carrying amount exceeds the recoverable amount is recorded as an impairment loss.

For revalued assets, an impairment loss is offset against the respective asset revaluation surplus.

Fair Value measurement- Non-financial assets

In determining fair value, the Authority has taken into account the characteristic of the asset (e.g. condition and location of the asset and any restrictions on the sale or use of the asset); and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

The Authority's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As the Authority did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amount of non-financial assets with a fair value at the time of acquisition that is less than \$1 million or an estimated useful life that is less than three years, are deemed to approximate fair value.

j) Liabilities

Employee benefits

These benefits accrue for employees as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Wages, salaries, annual leave, skills and experience retention leave and sick leave

The liability for salaries and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the skills and experience retention leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid. No provision has been made for sick leave, as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Outback Communities Authority Notes to and forming part of the financial statements

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The estimated liability for long service leave is based on actuarial assumptions over expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with durations that match, as closely as possible, the estimated future cash outflows.

The long service leave liability has been allocated between current and non-current liabilities using the leave pattern history of previous years.

k) Unrecognised contractual commitments and contingent assets and liabilities

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable, to the ATO. If GST is not payable to, or recoverable from, the ATO, the commitments and contingencies are disclosed on a gross basis.

Note 3: New and revised accounting standards and policies

The Authority did not voluntarily change any of its accounting policies during 2016-17

Note 4: Employee benefits expense

	2017	2016
	\$'000	\$'000
Salaries and wages	659	589
Board fees	76	75
Employment on-costs	127	115
Annual leave	67	60
Long service leave	30	27
Skills and experience retention leave	4	6
Other employee related expenses	6	5
Total employee benefit expenses	969	877

Targeted Voluntary Separation Packages (TVSPs)

No employees were paid TVSPs during the period from 1 July 2016 to 30 June 2017.

Remuneration of employees

One employee received remuneration greater than the base executive remuneration level during the year within the band \$167,001 and \$177,000. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

Outback Communities Authority
Notes to and forming part of the financial statements

Note 5: Supplies and services

	2017	2016
	\$'000	\$'000
Administrative costs	19	24
Utilities	91	74
Property expenses	548	212
Information technology	49	38
Materials and other purchases	38	26
Auditor's remuneration	33	33
Insurance	151	153
Plant, equipment and vehicle expenses	262	188
Operating leases	49	35
Other service contracts	814	802
Other	176	136
Total supplies and services	2,230	1,721

Note 6: Depreciation expense

	2017	2016
	\$'000	\$'000
Depreciation		
Buildings and infrastructure	303	177
Water, sewerage and drainage	55	54
Plant and equipment	26	33
Total depreciation expense	384	264

Note 7: Grant and subsidies

	2017	2016
	\$'000	\$'000
Community Affairs Resourcing Management Grants	254	148
Regional Development Initiatives	95	63
Other	-	5
Total grants and subsidies	349	216

For grants and subsidies payable, the grants and subsidies will be recognised as a liability and expense when the entity has a present obligation to pay the grants and subsidies and the expense recognition criteria are met. All contributions paid by the Authority have been contributions with unconditional stipulations attached.

Note 8: Other expenses

	2017	2016
	\$'000	\$'000
Community Levy	29	55
Asset write offs	340	-
Other	2	18
Total other expenses	371	73

Outback Communities Authority
Notes to and forming part of the financial statements

Note 9: Advances and grants

	2017	2016
	\$'000	\$'000
Commonwealth grants	2,177	729
Intra government transfers	647	307
Other	16	-
Total advances and grants	2,840	1,036

The above advances and grants were allocated to the following projects:

Financial assistance grants	2,177	729
Outback Community Parks	260	-
Andamooka Town Services	167	150
Dunjiba municipal services	104	102
Northern Flinders Project Officer	83	55
Other	49	-
Total advances and grants	2,840	1,036

Advances and grants are recognised as an asset and income when the Authority obtains control of the advances and grants or obtains the right to receive the advances and grants and the income recognition criteria are met (i.e. the amount can be reliably measured and the flow of resources is probable).

For grants relating to agreements with conditional stipulations, income is recognised when the stipulations are met. When agreements have unconditional stipulations, income is recognised on execution of an enforceable agreement.

Note 10: Interest revenue

	2017	2016
	\$'000	\$'000
Interest from the Department of Treasury and Finance	16	14
Total interest revenue	16	14

Note 11: Resources received free of charge

	2017	2016
	\$'000	\$'000
Resources received free of charge - land and buildings	6,401	-
Total resources received free of charge	6,401	-

Resources received free of charge were recognised at their fair value.

On 1 January 2017 the Department received free of charge land and buildings (\$6.401 million) of the township of Leigh Creek from the Generation Lessor Corporation. The township of Leigh Creek is significantly reliant upon continued State Government support to transition to an independent future. Due to the remote location of these assets there is no comparable market. Therefore these assets are valued at depreciated replacement cost.

Outback Communities Authority
Notes to and forming part of the financial statements

Note 12: Other Income

	2017	2016
	\$'000	\$'000
Recoveries/reimbursements	304	220
Community contribution scheme	309	304
Other	22	14
Total other income	635	538

Other income consists of recoveries, reimbursements and community contributions which is derived in accordance with section 21 of the Act. Other income is recognised as revenue when the Authority obtains control of the funds or right to receive the funds and the income recognition criteria are met.

Note 13: Revenues from SA Government

	2017	2016
	\$'000	\$'000
Revenues from SA Government	1,220	632
Total revenues from Government	1,220	632

Revenues from SA Government for program funding are recognised as revenues where the Authority obtains control over the funding. Control over revenues from SA government is normally obtained upon receipt.

Note 14: Cash

	2017	2016
	\$'000	\$'000
Deposits at call with the Department of Treasury and Finance	1,113	137
Total cash	1,113	137

Cash is measured at nominal amounts.

Cash on hand is interest bearing. Deposits at call with the Department of Treasury and Finance earn a floating interest rate, based on daily banking deposit rates.

Note 15: Receivables

	2017	2016
	\$'000	\$'000
Current		
Receivables	64	46
Accrued revenues	432	359
Prepayments	49	49
Total current receivables	545	454
Total receivables	545	454

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Collectability of receivables is reviewed on an ongoing basis.

Outback Communities Authority
Notes to and forming part of the financial statements

Note 16: Property, plant and equipment

	2017	2016
	\$'000	\$'000
Land		
Land at fair value	94	74
Total land	94	74
Buildings and Infrastructure		
Buildings and infrastructure at fair value	23,266	9,533
Accumulated depreciation	(10,321)	(2,730)
Total buildings and infrastructure	12,945	6,803
Water, sewerage and drainage		
Water, sewerage and drainage assets at fair value	2,387	2,702
Accumulated depreciation	(1,034)	(1,048)
Total water, sewerage and drainage	1,353	1,654
Plant and equipment		
Plant and equipment at fair value	139	183
Accumulated depreciation	(114)	(133)
Total plant and equipment	25	50
Work in progress		
Work in progress	154	72
Total work in progress	154	72
Total property, plant and equipment	14,571	8,653

Valuation of property, plant and equipment

The valuation of property assets including Buildings and Infrastructure and Water and Sewerage assets were valued by an independent valuer (Maloney Field Services) as at 30 June 2015. Land valuation was performed by the Valuer-General as at 30 June 2015. The Valuer-General used depreciated replacement cost due to there not being an active market for such buildings and facilities. The valuation was based on a combination of internal records, specialised knowledge and acquisition/transfer costs.

Outback Communities Authority
Notes to and forming part of the financial statements

Reconciliation of property, plant and equipment

The following table shows the movement of property, plant and equipment during 2016-17

2016-17	Land \$'000	Buildings and Infrastructure \$'000	Water, sewerage and drainage \$'000	Plant and Equipment \$'000	Work in Progress \$'000	Total \$'000
Carrying amount at 1 July	74	6,803	1,654	50	72	8,653
Additions	-	-	-	-	240	240
Transfer from works in progress	-	158	-	-	(158)	-
Write offs	-	(94)	(246)	-	-	(340)
Resources received free of charge	20	6,381	-	-	-	6,401
Depreciation and amortisation	-	(303)	(55)	(26)	-	(384)
Other movements	-	-	-	1	-	1
Carrying amount at 30 June	94	12,945	1,353	25	154	14,571

The following table shows the movement of property, plant and equipment during 2015-16

2015-16	Land \$'000	Buildings and Infrastructure \$'000	Water, sewerage and drainage \$'000	Plant and Equipment \$'000	Work in Progress \$'000	Total \$'000
Carrying amount at 1 July	74	6,785	1,711	84	79	8,733
Additions	-	-	-	-	184	184
Transfer from works in progress	-	191	-	-	(191)	-
Depreciation and amortisation	-	(177)	(54)	(33)	-	(264)
Other movements	-	4	(3)	(1)	-	-
Carrying amount at 30 June	74	6,803	1,654	50	72	8,653

Impairment

There were no indications of impairment of property, plant and equipment and infrastructure assets at 30 June 2017.

Outback Communities Authority
Notes to and forming part of the financial statements

Note 17: Payables

	2017	2016
	\$'000	\$'000
Current		
Accrued expenses	185	33
Employment on-costs	19	16
Total current payables	204	49
Non-current		
Employment on-costs	31	30
Total non-current payables	31	30
Total payables	235	79

All payables are measured at their nominal amount. Accruals are raised for all amounts owing but unpaid and are normally settled within 30 days from the date the invoice is first received.

Employment on-costs include superannuation contributions and payroll tax with respect to outstanding liabilities for salaries and wages, long service leave, skills and experience retention leave and annual leave.

The Authority makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments for beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to contributions due but not yet paid to the superannuation scheme managers.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave remains unchanged from the 2016 rate (40%) and the average factor for the calculation of employer superannuation on-cost has changed from the 2016 rate (10.2%) to 10.1%. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$576. The estimated impact on 2018 and 2019 is not expected to be materially different to the impact in 2017.

Note 18: Employee benefits

	2017	2016
	\$'000	\$'000
Current		
Annual leave	83	78
Skills and experience retention leave	7	11
Long service leave	33	31
Accrued salaries and wages	17	9
Total current employee benefits	140	129
Non-current		
Long service leave	334	325
Total non-current employee benefits	334	325
Total employee benefits	474	454

AASB 119 contains the calculation methodology for long service leave liability. The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave.

Outback Communities Authority

Notes to and forming part of the financial statements

AASB 119 requires the use of the yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service liability. The yield on long term Commonwealth Government bonds has increased from 2016 (2%) to 2017 (2.5%).

This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$14,123 and employee benefit on-cost expense of \$1,304. This was offset by increases due to higher leave entitlements and the increase in the base salary leading to an overall increase. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions including the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 4% for long service leave liability and 3% for annual leave and skills, experience and retention leave liability. As a result, there is no financial effect resulting from changes in the salary inflation rate.

Note 19: Provisions

	2017 \$'000	2016 \$'000
Non-current		
Provision for workers compensation	1	1
Total non-current provisions	1	1
Total provisions	1	1
Carrying amount as at 1 July	1	1
Decrease in the provision	-	-
Carrying amount at 30 June	1	1

A liability has been recognised to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2017 provided by a consulting actuary engaged by the Office for the Public Sector (a division of the Department of Premier and Cabinet). The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

Note 20: Prior Period Adjustments

The table below represents total adjustments to equity identified in each year. Adjustments totalling \$0.034 million (\$2.731 million) were identified in the year ended 30 June 2017. These adjustments affect the year ended 30 June 2016 and prior years resulting in the restatement of opening balances and adjustments against retained earnings.

	2016 \$'000	2015 \$'000	Total \$'000
Work in progress	-	(3)	(3)
Receivables	37	-	37
Total other adjustments error correction	37	(3)	34

An adjustment was made to work in progress in 2016-17 for \$0.003 million. The adjustment is to de-recognise a duplicated amount in work in progress.

Outback Communities Authority Notes to and forming part of the financial statements

A further adjustment was made to receivables in 2016-17 of \$0.037 million to recognise insurance recoveries from outback communities relating to a prior year. This adjustment was made in the 2016-17 comparatives resulting in a revised net result for 2016-17.

Note 21: Unrecognised contractual commitments

Capital commitments	2017 \$'000	2016 \$'000
Capital expenditure contracted for at the reporting date but not recognised as liabilities in the financial report, are payable as follows:		
Within one year	102	-
Total capital commitments	102	-

The Authority's capital commitments are for the construction and installation of two water stations at Oodnadatta and Marla in the 2017-18 financial year.

Operating lease commitments	2017 \$'000	2016 \$'000
Commitments in relation to operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows:		
Within one year	9	35
Later than one year but no later than five years	-	9
Total operating lease commitments	9	44
Representing:		
Non-cancellable operating leases	9	44
Total operating lease commitments	9	44

Operating leases relate to property and accommodation occupied by the Authority. This lease is non-cancellable, with rental payable monthly in advance. The term of the lease is 5 years.

Other commitments	2017 \$'000	2016 \$'000
Commitments for the payment of maintenance and other service contracts at the reporting date but not recognised as payables in the financial statements are payable as follows:		
Within one year	215	12
Later than one year but no later than five years	68	-
Total other commitments	283	12

Other commitments relate to cancellable commitments arising from maintenance and other service contracts.

Note 22: Contingent assets and contingent liabilities

The Authority is not aware of any contingent assets or liabilities as at 30 June 2017.

Outback Communities Authority
Notes to and forming part of the financial statements

Note 23: Related Party Transactions

The Authority is a statutory authority established pursuant to the *Outback Communities (Administration and Management) Act 2009* and is wholly owned and controlled by the Crown.

Related parties of the Authority include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Key Management Personnel

Key management personnel of the Authority include the Minister for Local Government, the seven board members and the Director who have responsibility for the strategic direction and management of the Authority.

The total compensation for the Authority's key management personnel was \$271,617. Salaries and other benefits the Minister for Local Government receives are excluded from this total. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

Transactions with Key Management Personnel and other related parties

There were no transactions with key management personnel and other related parties during the year.

Note 24: Financial instruments/Financial risk management

Financial Risk Management

The Authority's exposure to financial risk (liquidity, credit and market) is low due to the nature of the financial instruments held.

The Authority is funded mainly from a Federal Government Financial Assistance Grant and Revenues from SA Government. The Authority works with the Department of Treasury and Finance to determine the cash flows associated with its Ministerial approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

There have been no changes in risk exposure since the last reporting period.

Categorisation of financial instruments

All financial assets and liabilities are carried at cost and are current for 2017 and 2016.

Note 25: Events after balance date

The Authority is not aware of any events occurring after balance date.

Outback Communities Authority
Notes to and forming part of the financial statements

Note 26: Remuneration of board and committee members

Members that received remuneration for membership during the year were:

Outback Communities Authority	Andamooka Town Management Committee
	A Cabinet decision on 28/05/2015, reclassified this board as 'Not a Government Board'
BELTCHEV G	BREUER L R
BOOTH J M	HANCOCK R D
FENNEL M A	MCFARLANE E J
FERGUSON J D	MUSOLINO B J
FORT J	ROWLEY G
MARSLAND M P	
MICHELMORE C P	
WOOLFORD C	

The number of members whose remuneration received/receivable falls within the following bands:

	2017	2016
	Number	Number
\$1 - \$9 999	9	7
\$10 000 - \$19 999	3	3
\$20 000 - \$29 999	-	1
\$30 000 - \$39 999	1	-
Total Number of Members	13	11

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, fringe benefits tax and any other salary sacrifice arrangements. The total remuneration received or receivable by members was \$84,040 (\$74,682).

Unless otherwise disclosed, transactions between members are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

Certification of the financial statements

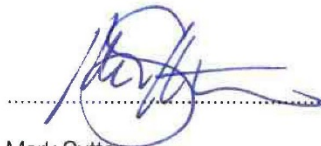
We certify that the:

- financial statements of the Outback Communities Authority:
 - are in accordance with the accounts and records of the Outback Communities Authority; and
 - comply with relevant Treasurer's instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Outback Communities Authority at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the Outback Communities Authority over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



Cecilia Woolford
CHAIRPERSON
OUTBACK COMMUNITIES AUTHORITY

20 October 2017



Mark Sutton
DIRECTOR
OUTBACK COMMUNITIES AUTHORITY

20 October 2017

INDEPENDENT AUDITOR'S REPORT



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Auditor-General's Department

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**To the Chairperson
Outback Communities Authority**

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Outback Communities Authority for the financial year ended 30 June 2017.

Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Outback Communities Authority as at 30 June 2017, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2017
- a Statement of Financial Position as at 30 June 2017
- a Statement of Changes in Equity for the year ended 30 June 2017
- a Statement of Cash Flows for the year ended 30 June 2017
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chairperson and the Director, Outback Communities Authority.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Outback Communities Authority. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants have been met.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Director and the members of the Outback Communities Authority for the financial report

The Director is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

The members of the Outback Communities Authority are responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report


My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director
- 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.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Director and members of the Outback Communities Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson

Auditor-General

7 November 2017