



**Government
of South Australia**

Outback Communities Authority

2018-19 Annual Report

Outback Communities Authority

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To:

The Hon. Stephan Knoll MHA

Transport and Infrastructure

Local Government

Planning

This annual report will be presented to Parliament to meet the statutory reporting requirements of *Outback Communities (Administration and Management) Act 2009* and 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.

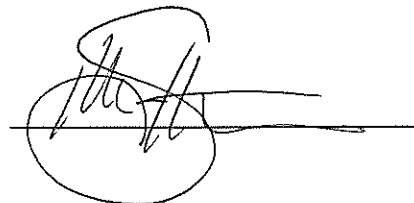
Submitted on behalf of the Outback Communities Authority by:

Mark Sutton

Director, Outback Communities Authority

Date 30/9/19

Signature

A handwritten signature in black ink, appearing to be 'M Sutton', written over a horizontal line. The signature is enclosed within a hand-drawn circle.

From the Director



As we come to the end of the first ten years of the Outback Communities Authority (OCA), I am pleased to report that the OCA continues to support vibrant communities who thrive in an environment of self-determination overseen by a dedicated volunteer management model. These volunteers are supported to be agile, bold, relevant and efficient in their day-to-day activities. From community hall renovations to festivals and events and from water supplies to airstrips, the Outback Community has a can-do attitude and just gets it done. The support from the OCA in the form of advocacy, investment and empowerment compliments this volunteer ethic and I am very proud of the direction from the OCA Board and the dedication from the staff in facilitating this support.

As we embark on the next ten years of the OCA, I welcome the appointment of the OCA's inaugural Chair, Mr Bill McIntosh AM as Chair for the next three years and I say thank you to the outgoing Chair, Ms Cecilia Woolford, for the last six years of stewardship.

The Outback faces some immediate and long term challenges as we move forward; for now the extended period without any significant rainfall is having devastating effects on the pastoral sector, infrastructure and community well-being. The OCA will continue to advocate for support in these areas for the region. In the longer term, the region is facing internal and external pressure to look at how services will be funded and delivered as its moves forward. The OCA will be an active companion on this journey and will articulate the views, interests and aspirations of the Outback Community so that together we can be the architects of change; change that supports the uniqueness of the Outback.

I would like to take this opportunity to thank the OCA Board for its strategic direction and support, however it would be remiss of me not to extend my sincerest appreciation and thank you to the staff of the Office for the OCA for their commitment and dedication to service for and on behalf of the people who live and work in the Outback.

A handwritten signature in blue ink, appearing to be 'Mark Sutton', written over a circular stamp or seal.

Mark Sutton
Director
Outback Communities Authority

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Overview: about the agency

Our strategic focus

Our Purpose	The Outback Communities Authority (OCA), a statutory authority, is established pursuant to the Outback Communities (Administration and Management) Act 2009. The OCA has responsibility for the management and 'limited' local governance of the unincorporated areas of South Australia along with articulating the views, interests and aspirations of outback residents.
Our Vision	Together we will grow the Outback as a Region for the benefit of all who live, work and visit. The Outback Communities Authority is the voice of our Outback Communities.
Our Values	<p>Be <i>respectful</i></p> <p>Value <i>relationships</i></p> <p>Be <i>agile</i></p> <p>Be <i>bold</i></p> <p>Be <i>relevant</i> to the people of the Outback</p> <p>Base <i>decisions</i> on good information</p> <p>Be <i>efficient</i> with our resources</p>
Our objectives and deliverables	<ul style="list-style-type: none"> • Provide for efficient and accountable administration and management of outback communities; and • Promote participation of outback communities in their administration and management; and • Raise revenue for public services and facilities in the outback.
Our functions	<ul style="list-style-type: none"> • To manage the provision of public services and facilities to outback communities; and • 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.

Our organisational structure

Membership

The 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, 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. Appointments to the OCA Board are either for an 18 month term of a 3-year term, ensuring business continuity when membership changes. Members may apply for reappointment at the conclusion of serving their term.

Throughout 2018-19 serving OCA members and their terms were:

- Ms Cecilia Woolford, Chairperson 1 July 2016 – 30 June 2019 (Ms Woolford did not re-nominate)
- Mrs Joyleen Booth: 1 July 2016 – 30 June 2019 (Mrs Booth did not re-nominate)
- Mr Mark Fennell: 1 July 2016 – 30 June 2019 (Mr Fennell was not re-appointed)
- Ms Jo Fort: 12 March 2015 – 31 December 2020
- Ms Mary Marsland: 12 March 2015 – 31 December 2020
- Mr Chris Michelmores: 12 March 2015 – 31 December 2020
- Ms Tammy Roach: 1 January 2018 – 31 December 2020

Note: incoming Presiding Member, Mr William McIntosh AM and incoming Members, Mrs Frances Frahn and Mr Lee Warmington were appointed from 1 July 2019 all for a 3-year term.

Support Staff

During 2018-19 the Office for the OCA (OOCA), based in Port Augusta was supported by 7 full time employees. Late in June 2018, the Manager, Leigh Creek Contracts and Services resigned (contract position). A review of OCA support provided to Leigh Creek as it continues to transition to SA Government, resulted in recommending two positions replace the Manager, Leigh Creek Contracts and Services position. A recruitment process for a Community Development Officer and Business Support Officer commenced in April 2019 but unfortunately this process did not result in any appointments. The Asset and Works Officer (an existing position with the OOCA based in Port Augusta), provided support to Leigh Creek and surrounding communities throughout 2018-19.

The 7 employees 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 maintaining and developing new infrastructure, community development, providing assistance seeking external grants and dog registrations.

The business of the OOCA is delivered through 3 specific yet fully integrated units within the OOCA. Those units together represent the broad business focus for the OOCA:

- Corporate
- Infrastructure
- Community

The OCA Organisational chart as at 30 June 2019 is available from here:

<https://www.oca.sa.gov.au/orgchart2019>

Changes to the agency

During 2018-19 there were no changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

Our Minister

The Hon Stephan Knoll MP oversees Transport and Infrastructure, Housing and Urban Development, City of Adelaide and Local Government. Since 1 July 2014 the Outback Communities Authority has been placed administratively within the Department of Planning, Transport and Infrastructure (DPTI), while reporting to the Office of Local Government.

Legislation administered by the agency

The Outback Communities (Administration and Management) Act 2009.

The agency's performance

Performance at a glance

Articulate the views, interests and aspirations of outback communities

With a small staff of 7 employees the OOCA supported remotely located communities through annual Community Affairs Resourcing and Management (CARM) agreements. CARM agreements confirm the OCA's support for each outback community providing funding to ensure the delivery of municipal like services, managing waste and the ability for communities to deliver local projects of broad benefit.

In 2018-19, 22 CARM agreements were entered into providing a total of \$231,400 in funding across the OCA's region. A further \$10,600 met the costs of outback community streetlights, \$26,000 assisted Progress Association's with their annual insurance costs and \$10,500 was provided toward supporting outback events providing social interaction opportunities.

To promote improvements in the provision of public services and facilities to outback communities

In 2018-19 the OOCA commissioned 2 new outback water stations located in Oodnadatta and Marla (refer to page 12) and completed a capital upgrade on public conveniences located in Fowlers Bay as part of the annual capital improvement program.

To manage the provision of public services and facilities to outback communities

The OOCA manages public conveniences, UHF repeater towers, airstrips and community waste water management systems in the unincorporated areas of South Australia (refer to page 11, 13-14).

Agency contribution to whole of Government objectives

Key objective	Agency's contribution
More jobs	<p><i>To manage the provision of public services and facilities to outback communities.</i></p> <p><u>Aboriginal Lands – Municipal Services Program SA</u></p> <p>This program uses the local workforce to deliver municipal services to the Oodnadatta community, including waste pick up and town maintenance.</p> <p><u>Outback Youth Programs</u></p> <p>The outback communities of Oodnadatta, Andamooka, Copley and Marree are supported through local youth groups, supported by the OOCA. The OOCA is working closely with the Career Employment Group to employ 3 local youth officers for a 12 month term; recruitment commenced late in 2018-19. The Andamooka youth officer</p>
Lower costs	<p><i>To articulate the views, interests and aspirations of outback communities.</i></p> <p><u>Outback Community Streetlights</u></p> <p>The OOCA meets the costs of streetlights in all outback communities in the unincorporated areas of SA, alleviating the cost burden on local Progress Associations.</p> <p><u>Community Insurance</u></p> <p>Communities within the jurisdiction of the OCA are able to participate in an insurance portfolio, facilitated by the OOCA. The OOCA provides a 25% subsidy on each Progress Association's annual insurance costs. The insurance portfolio includes public liability, volunteer accident, industrial special risks and aviation liability insurance, for those communities managing an airstrip.</p>

Key objective	Agency's contribution
Better Services	<p><i>To promote improvements in the provision of public services and facilities to outback communities.</i></p> <p><u>Outback Water Stations</u></p> <p>In 2018-19 the OOCA commissioned 2 new outback water stations located in Oodnadatta and Marla providing water for local community residents alleviating the reliance on rainwater in an environment known for its drought conditions. The travelling public can also access the water stations. Income received from the sale of the water will assist to meet annual lifecycle costs.</p> <p><u>Outback Infrastructure</u></p> <p>The OOCA manages 20 public conveniences, 39 UHF repeater towers, 4 airstrips and 2 community waste water management systems, all remotely located. The maintenance regime ensures that these public services are available to the local community and also the general travelling public. Local cleaning contractors are used providing employment opportunities.</p>

Agency specific objectives and performance

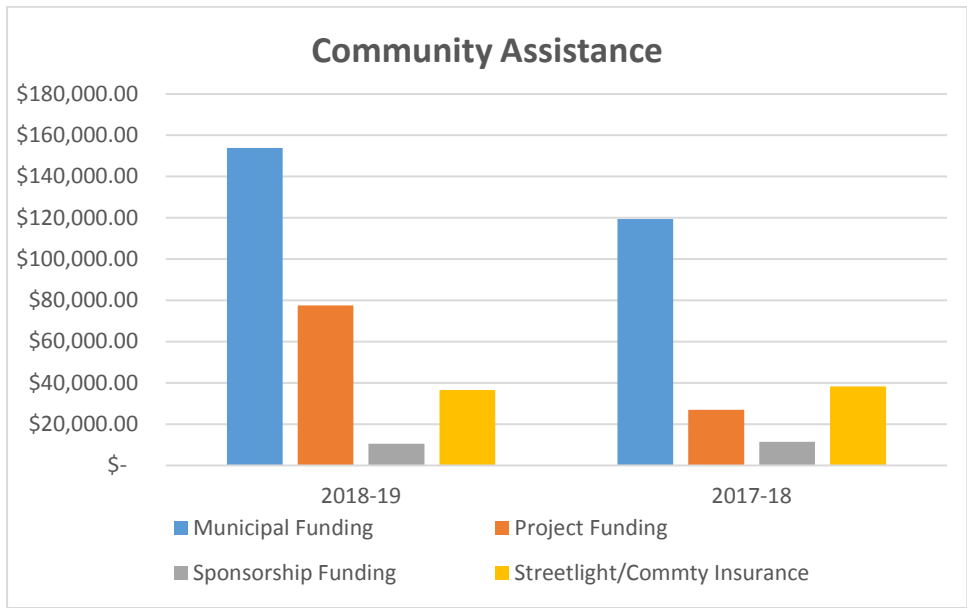
Agency objectives	Indicators	Performance
<p>To manage the provision of public services and facilities to outback communities</p>	<p>OCA owned remote airstrips managed and maintained available for emergency use.</p>	<p>Maintenance program continued. Successfully applied for funding from The Commonwealth Government with matching funding from the State Government for major upgrades to the Oodnadatta and Marla Aerodromes. The upgrades will be finalised in 2019-20.</p>
	<p>Met demand for access to water in drought affected communities, Oodnadatta and Marla by installing water stations alleviating the reliance on rainwater for local residents, especially through drought conditions and provides water to the travelling public, resulting in a positive outcome and meeting community and the general public expectations.</p>	<p>The two water stations have alleviated the reliance on rainwater for local residents and the general travelling public, resulting in a positive outcome and meeting community and general public expectations.</p>
	<p>The major upgrade to the Fowlers Bay public conveniences ensured the OCA's network of infrastructure in remote areas is maintained to a high standard.</p>	<p>Continues to provide access to public facilities and meet local and the general public expectations.</p>

Agency objectives	Indicators	Performance
To manage the provision of public services and facilities to outback communities	The OCA continues to be heavily involved in the ongoing transition of Leigh Creek to SA Government, ensuring municipal services continue to be provided, meeting community expectation.	Commenced the development of the Landfill Environmental Management Plan for the Leigh Creek waste area. Installed new fencing at the Leigh Creek Aerodrome, improving security and resulting in the better separation of operations.
	Continuing to meet community expectation in the Oodnadatta community has resulted in the Aboriginal Lands – Municipal Services Program, continuing in 2018-19.	This program provides local employment and has improved the overall wellbeing of Aboriginal people in the Dunjiba Community in Oodnadatta.
To promote improvements in the provision of public services and facilities to outback communities	Increasing the network of outback water stations in remote South Australia.	The OCA successfully applied for funding through the Building Better Regions Fund, Round 2, resulting in 5 new water stations to be implemented in the Outback. Two water stations will be implemented in 2019-20 with the remaining 3 stations implemented over the course of the next 2 years.

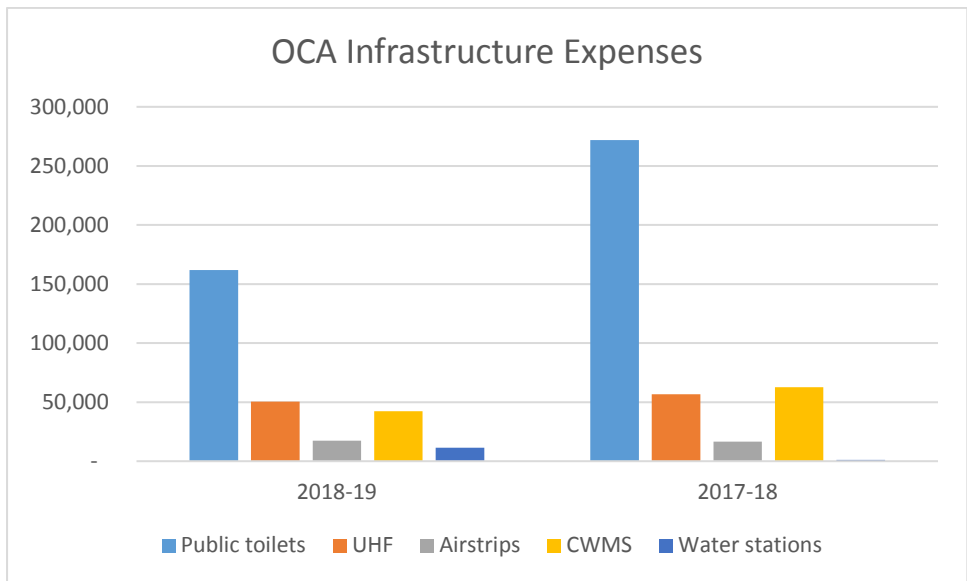
Agency objectives	Indicators	Performance
<p>To promote improvements in the provision of public services and facilities to outback communities</p>	<p>Infrastructure management program meeting community and public expectations will result in the replacement of public conveniences and public showers in Innamincka.</p>	<p>This project commenced in 2018-19 and will be finalised in 2019-20 resulting in new amenities, improving the general appeal of Innamincka.</p>
	<p>Continue to financially support outback communities whilst encouraging self-determination.</p>	<p>Through Community Affairs Resourcing and Management agreements, the OCA financially supported 22 communities. Approximately \$359,000 in community support funding was provided to assist with community projects, street lighting and insurance costs.</p>
	<p>Work to create attractive environments and conditions for outback residents and the general travelling public.</p>	<p>The OCA successfully received funding from the Department of Primary Industries and Regions SA to enhance community parks in Parachilna, Yunta, Beltana, Fowlers Bay, Iron Knob, Glendambo and Penong. The project will result in the development of tourist infrastructure and community areas, facilitating in the development of more vibrant and attractive open spaces.</p>

Agency objectives	Indicators	Performance
<p>To articulate the views, interests and aspirations of outback communities</p>	<p>Develop partnerships with SA Government agencies to improve the quality of life for those living in the Outback.</p> <p>Improve the wellbeing of people living, working and visiting the Outback.</p>	<p>Continuing on from 2018-19, the OCA partners with the SA Office for Recreation and Sport on the STARCLUB Development Program.</p> <p>STARCLUB supports sporting clubs and entities with governance and successful management strategies, improving opportunities for grants, sponsorship and legislative requirements.</p> <p>Eighteen outback sporting clubs attained level 2 status in STARCLUB in 2018-19</p> <p>Youth Week events were held in Penong, Andamooka, Marree, Copley and Oodnadatta using funding obtained from the Office for Youth.</p> <p>The OCA successfully applied for funding through Grants SA and have partnered with Career Employment Group to employ three Youth Officers for a 12 month term, to be located in Oodnadatta, Marree and Copley.</p>

Corporate performance summary



In 2018-19 the OOCA increased community funding support by approximately \$81,000, this was a result of an ongoing educational process working with outback communities to access funding and provide strong governance structures.



In acknowledging budget pressures, the OOCA undertook a review of expenses related to OCA owned infrastructure in the unincorporated areas of South Australia. As a result, contractor cleaning hours were reduced in both the peak and off season months. The off season saw a greater reduction in services than did the peak times. Although a significant budget saving was recognised the OOCA established that the affect across the communities was less than desirable with local employment being affected, this resulted in the reinstatement of contractor cleaning hours for the 2019-20 year.

Employment opportunity programs

Program name	Performance
Outback Youth Programs	<p>A Youth Officer is based in Andamooka – this role has been ongoing for approximately 10 years. The Youth Group in Andamooka operates very effectively with 15-20 youth attending on a regular basis to participate in a variety of activities on offer.</p> <p>In 2018-19 the OCA in partnership with the Career Employment Group were successful in obtaining a \$15,600 grant from Grants SA to employ 3 Youth Officers in the locations of Copley, Marree and Oodnadatta. The Youth Officers will form Youth Groups in these towns, positions will be in place for a 12 month period. Recruitment has commenced; the positions will commence in the 2019-20 year.</p>
Aboriginal Lands – Municipal Services Program SA	<p>Again in 2018-19 this program created local employment and the opportunity to learn new skills. The program delivered municipal services to the Oodnadatta community, including waste pick up and local landscaping, the purchase of playground equipment and contributed toward the construction of a bike track with support from the Bikes SA Healthy Towns Challenge. Included with this program is an animal health clinic, held twice a year. The clinic encourages the Oodnadatta community to present dogs and cats for health checks aiming to improve overall community health.</p> <p>The OCA has successfully managed this program for approximately 11 years.</p> <p>Funding for this program was administered by the Office of Local Government on behalf of the Minister for Transport, Infrastructure and Local Government.</p>
Regional Growth Fund – Outback Communities Improvements Program	<p>In 2018-19 the OCA received funding from the Department of Primary Industries and Regions SA, to manage a community improvements program, benefitting 7 outback communities. Local employment opportunities were realised in 5 of the outback communities, with the remaining 2 communities using a regional workforce. In each community the employment is in place whilst the individual improvements are achieved. Improvements to communities ranged from the creation of more vibrant open space areas to developing tourism infrastructure. This program is in the early stages and is expected to be finalised in the 2019-20 year. Strong local volunteer support underpins this program, ensuring it's success.</p>

Agency performance management and development systems

Performance management and development system	Performance
Performance and Learning Agreements	In 2018-19 7 OCA staff (100%) participated in Performance and Learning Agreements.
Staff met with Line Managers to discuss work goals and performance measures. Training and development opportunities are included in the Agreements, complementing staff role descriptions by developing skills and capabilities for current and future roles.	

Work health, safety and return to work programs

Program name	Performance
Safety Walks	The OOCA supports the DPTI initiative of Safety Walks which are undertaken in the office environment and surrounding grounds inspections (the OOCA does not operate any work sites). Although safety walks are conducted by senior staff, all employees are encouraged to support the initiative. No major hazards were identified in 2018-19.
Remote Travel	<p>The OOCA staff undertake regular remote travel during the course of their role. The remote travel process in place ensure regular contact by field operatives with the office whilst in the field and continuous monitoring by office staff.</p> <p>SPOT GPS Messenger devices have been used by OCA staff since 2012 and are considered to be an integral part of the OCA's work, health and safety strategies. The SPOT devices are taken in vehicles and require the traveller to report on location and personal wellbeing when travelling. Satellite telephones are also available for staff travelling to remote locations.</p> <p>No vehicle accidents were reported in 2018-19.</p>
Team Meetings	The OCA meet regularly to discuss matters relating to work, health and safety, project management and general staff workloads. In 2018-19, 20 team meetings were held and two emergency evacuations were successfully completed.
First Aiders	During 2018-19, 6 OOCA staff members held current first aid certificates, while 1 staff member completed the mental health first aide certificate. A defibrillator is onsite at the OOCA; first aiders are trained in the use of the machine.

Workplace injury claims	2018-19	2017-18	% Change (+ / -)
Total new workplace injury claims	0	1	-100%
Fatalities	0	0	0
Seriously injured workers*	0	0	0
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	1	-100%

*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

Work health and safety regulations	2018-19	2017-18	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	1	-100%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	0	0%

Return to work costs**	2018-19	2017-18	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$0	\$13,609	-100%
Income support payments – gross (\$)	\$0	\$0	0%

**before third party recovery

Data for previous years is available at:

https://data.sa.gov.au/data/dataset?q=work+health+and+safety+return+to+work+performance&sort=extras_harvest_portal+asc%2C+score+desc%2C+metadata_modified+desc

Executive employment in the agency

Executive classification	Number of executives
Director	1

Data for previous years is available at:

https://data.sa.gov.au/data/dataset?q=executive+employment+in+sa+government&sort=extras_harvest_portal+asc%2C+score+desc%2C+metadata_modified+desc

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2018-19 are attached to this report.

Statement of Comprehensive Income	2018-19 Budget \$000s	2018-19 Actual \$000s	Variation \$000s	2017-18 Actual \$000s
Expenses	4,318	3,837	481	3,948
Revenues	1,776	2,318	542	2,820
Net cost of providing services	-2,542	-1,519	1,023	-1,128
Net Revenue from SA Government	2,464	2,464	0	1,402
Net result	-78	945	1,023	274
Total Comprehensive Result	-78	945	1,023	274

Statement of Financial Position	2018-19 Budget \$000s	2018-19 Actual \$000s	Variation \$000s	2017-18 Actual \$000s
Current assets	2,200	3,596	1,396	1,917
Non-current assets	12,708	12,501	-207	13183
Total assets	14,908	16,097	1,189	15,100
Current liabilities	246	252	-6	244
Non-current liabilities	377	420	-43	377
Total liabilities	623	672	-49	621
Net assets	14,285	15,425	1,140	14,479
Equity	14,285	15,425	1,140	14,479

Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
Not applicable.	Not applicable	\$0

Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
Not applicable.	Not applicable.	\$0
	Total	\$0

Data for previous years is available at:

https://data.sa.gov.au/data/dataset?q=use+of+consultants+in+SA+government&sort=extras_harvest_portal+asc%2C+score+desc%2C+metadata_modified+desc

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	Various	\$113,366 Combined total of all actual payments to contractors under \$10,000

Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$ Actual payment
Aecom Australia Pty Ltd	Landfill Environment Management Program, Leigh Creek	16,500
Andamooka Progress and Opal Miners Association Inc	Community asset management, Youth Development Officer insurance	62,702
J Austin	Cleaning contract, Pimba	11,648
L Brady	Cleaning contracts Copley and Leigh Creek	15,200
Buxcat Pty Ltd	Maintenance, Leigh Creek Airport	32,412
B Dix	Cleaning contract, Manna Hill, Olary and Yunta	14,016
Dunjiba Community Council	Municipal service provision, Oodnadatta	65,940
W Ferguson	Town maintenance, Leigh Creek	68,915
Flinders Management Services	Waste management services, Leigh Creek	53,263
Hage Contracting Services	Town maintenance, Leigh Creek	56,020
Leigh Creek Outback Resort	Leigh Creek Swimming Pool Safety Officers	61,692
Northern Earthmoving and Engineering Pty Ltd	Andamooka road maintenance, waste area and pipeline maintenance	36,993
Outback Landscaping and Supplies	Cleaning contract, Andamooka	59,065
Redgum Vet and Pet Boarding	Animal health clinics, Oodnadatta, Leigh Creek and Copley	23,694
	Total	\$599,471

Data for previous years is available at: Data for the past five years is available at:
https://data.sa.gov.au/data/dataset?q=contractors+engaged+in+SA+government&sort=extras_harvest_portal+asc%2C+score+desc%2C+metadata_modified+desc

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts](#).

The website also provides details of [across government contracts](#).

Risk management

Risk and audit at a glance

The OCA's Risk Management Policy outlines its commitment to the proper management of risk to maximise opportunities and to minimise the effect of hazards.

To achieve policy outcomes the OCA, in association with DPTI, developed a risk register to apply to all of the OCA's business activities. The Risk Management Framework has been compiled in accordance with and based on AS/NZS ISO 31000:2009 – Risk Management – Principles and Guidelines.

The Risk Register is continually assessed in response to events and reviewed annually. The Risk Register is provided to DPTI and tabled at an OCA meeting on an annual basis.

Fraud detected in the agency

Category/nature of fraud	Number of instances
Not applicable.	0

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

The OCA's financial activities are supported by:

It's Financial Management Compliance Program (FMCP) for identification and treatment of non-compliance with key financial management and compliance objectives. The FMCP also provides the opportunity to assess whether any serious or systematic financial management issues exist that require intervention and/or additional educational activities. The OCA's FMCP when assessed by DPTI indicates that the OCA achieve a moderate to high level of compliant with financial management compliance objectives, giving reasonable assurance that the operations of the OCA are being managed.

After assessment by DPTI, the FMCP and accompanying report are provided to the OCA at a formal meeting.

Data for previous years is available at:

https://data.sa.gov.au/data/dataset?q=Fraud+detected+in+agencies&sort=extras_harvest_portal+asc%2C+score+desc%2C+metadata_modified+desc

Whistle-blowers disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Whistleblowers Protection Act 1993*: 0.

Data for previous years is available at:

https://data.sa.gov.au/data/dataset?q=whistleblowers+disclosure&sort=extras_harvest_portal+asc%2C+score+desc%2C+metadata_modified+desc

Reporting required under any other act or regulation

Act or Regulation	Requirement
<p><i>Dog and Cat Management Act 1995</i></p>	<p>In Part 1, Section 4 of the <i>Dog and Cat Management Act 1995</i>, the OCA is described as a council and where the Act refers to a council's area of responsibility, the OCA 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 <i>Dog and Cat Management Act 1995</i>. The reporting confirms the number of dog registrations and expiations that have occurred in the unincorporated areas of South Australia for each financial year. The OCA supports the Dogs and Cats Online initiative and is pleased to report an increase in dog registrations has occurred in the unincorporated area of SA during 2018-19, conducive to the on-line registration opportunity.</p>

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2018-19
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	5
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0

Complaint categories	Sub-categories	Example	Number of Complaints 2018-19
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	9
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		Total	14

Additional Metrics	Total
Number of positive feedback comments	17
Number of negative feedback comments	14
Total number of feedback comments	31
% complaints resolved within policy timeframes	100%

Data for previous years is available at:

https://data.sa.gov.au/data/dataset?q=public+complaints+received+SA+government&sort=extras_harvest_portal+asc%2C+score+desc%2C+metadata_modified+desc

Service improvements for period

Service improvements that responded to customer complaints or feedback

Water Dispensing Unit, Oodnadatta

After receiving feedback from the travelling public relating to the quality of water dispensed from the water unit located in Oodnadatta, the OCA responded undertaking maintenance which resulted in improving the water quality.

Cleaning Contractors

After trialling a decrease in cleaning contractor hours as a cost saving measure, the OCA responded to feedback in June 2019, reinstating cleaning hours, returning the standard of public conveniences in the outback to a very good standard.

Appendix: Audited Financial Statements 2018-19

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.



William McIntosh AM
PRESIDING MEMBER
OUTBACK COMMUNITIES AUTHORITY

25 September 2019



Mark Sutton
DIRECTOR
OUTBACK COMMUNITIES AUTHORITY

25 September 2019

Outback Communities Authority (OCA)

Financial Statements

For the year ended 30 June 2019

Outback Communities Authority
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2019

	Note No	2019 \$'000	2018 \$'000
Expenses			
Employee benefit expenses	2.3	875	1 042
Supplies and services	3.1	1 862	1 923
Depreciation expense	3.2	742	712
Grants and subsidies	3.3	322	221
Other expenses	3.4	38	50
Total expenses		3 839	3 948
Income			
Advances and grants	4.2	1 807	1 830
Interest revenue		19	13
Resources received free of charge	4.3	-	362
Net gain from the disposal of non-current assets	4.4	-	83
Other income	4.5	492	532
Total income		2 318	2 820
Net cost of providing services		(1 521)	(1 128)
Revenues from SA Government			
Revenues from SA Government	4.1	2 464	1 402
Net revenues from SA Government		2 464	1 402
Net result		943	274
Other comprehensive income			
<i>Items that will not be reclassified to net result</i>			
Changes in property, plant and equipment asset revaluation surplus		-	(1 430)
Total other comprehensive income		-	(1 430)
Total comprehensive result		943	(1 156)

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 2019

	Note	2019	2018
	No	\$'000	\$'000
Current assets			
Cash	6.1	2 972	1 359
Receivables	6.2	592	558
Total current assets		3 564	1 917
Non-current assets			
Property, plant and equipment	5.1	12 501	13 183
Total non-current assets		12 501	13 183
Total assets		16 065	15 100
Current liabilities			
Payables	7.1	71	92
Employee benefits	2.4	151	152
Total current liabilities		222	244
Non-current liabilities			
Payables	7.1	36	32
Employee benefits	2.4	384	344
Provisions		-	1
Total non-current liabilities		420	377
Total liabilities		642	621
Net assets		15 423	14 479
Equity			
Retained earnings		13 007	12 063
Asset revaluation surplus		2 416	2 416
Total equity		15 423	14 479

The total equity is attributable to the SA Government as owner

Unrecognised contractual commitments	9.1
Contingent assets and liabilities	9.2

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 2019

	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 30 June 2017	3 846	11 673	15 519
Prior Period - error corrections	-	116	116
Restated Balance at 30 June 2017	3 846	11 789	15 635
Net result for 2017-18	-	274	274
Gain (loss) on Revaluation of Property during 2017-18	(1 430)	-	(1 430)
Total comprehensive result for 2017-18	(1 430)	274	(1 156)
Balance at 30 June 2018	2 416	12 063	14 479
Adjustments on initial adoption of AASB 9	-	(2)	(2)
Adjusted balance at 1 July 2018	2 416	12 061	14 477
Net result for 2018-19	-	943	943
Total comprehensive result for 2018-19	-	943	943
Other	-	3	3
Balance at 30 June 2019	2 416	13 007	15 423

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 2019

	2019	2018
	\$'000	\$'000
	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities		
Cash outflows		
Employee benefit payments	(837)	(1 020)
Supplies and services	(1 882)	(2 036)
Grants and subsidies	(322)	(221)
Other payments	(38)	(39)
Cash used in operations	(3 079)	(3 316)
Cash inflows		
Advances and Grants	1 807	1 830
Interest received	18	14
Other receipts	462	523
Cash generated from operations	2 287	2 367
Cash flows from (payments to) SA Government		
Receipts from SA Government	2 464	1 402
Cash generated from SA Government	2 464	1 402
Net Cash provided by (used in) operating activities	1 672	453
Cash flows from investing activities		
Cash outflows		
Purchase of property, plant and equipment	(59)	(307)
Cash Used in investing activities	(59)	(307)
Cash inflows		
Proceeds from sale of property, plant and equipment	-	100
Cash generated from investing activities	-	100
Net Cash provided by (used in) investing activities	(59)	(207)
Net increase / (decrease) in cash	1 613	246
Cash at 1 July	1 359	1 113
Cash at 30 June	2 972	1 359

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

Outback Communities Authority

Notes to and forming part of the financial statements

for the year ended 30 June 2019

1. About the Outback Communities Authority

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.

1.1. Basis of Preparation

The Authority has prepared these general purpose financial statements in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards (Reduced Disclosure Requirements).

For the 2018-19 financial statements the Authority adopted *AASB 9 - Financial Instruments* and is required to comply with the new Treasurer's Instructions (Accounting Policy Statements) issued on 22 March 2019.

The Authority has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Authority is a not-for-profit entity. Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Authority for the period ending 30 June 2019.

The financial statements have been prepared based on a 12 month period and presented in Australian currency. The historical cost convention is used unless another measurement basis is specifically disclosed in the notes.

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.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Significant accounting policies are set out within the Notes.

Outback Communities Authority

Notes to and forming part of the financial statements

for the year ended 30 June 2019

1.2. Objectives and programs

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 Transport, Infrastructure and 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.

2. Board, committees and employees

2.1. Key Management Personnel

Key management personnel of the Authority include the Minister for Transport, Infrastructure and 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 \$258 392 (\$275 468). Salaries and other benefits the Minister for Transport, Infrastructure and 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*.

Other than transactions described in the Notes, there were no transactions with key management personnel and other related parties during the year.

2.2. Board and Committee Members

Members that received remuneration for membership during the year were:

Outback Communities Authority

BOOTH J M (appointment expiry 30/06/2019)
 FENNEL M A (appointment expiry 30/06/2019)
 FORT J
 MARSLAND M P
 MICHELMORE C P
 ROACH, T S
 WOOLFORD C (appointment expiry 30/06/2019)

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

	2019	2018
	Number	Number
\$1 - \$9 999	6	7
\$20 000 - \$29 999	1	1
Total Number of Members	7	8

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

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 \$72 000 (\$74 000). Mileage allowance paid to board members has not been included in the remuneration.

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.

2.3. Employee benefits expenses

	2019	2018
	\$'000	\$'000
Salaries and wages	559	719
Board fees	68	68
Employment on-costs	134	139
Annual leave	73	73
Long service leave	35	32
Skills and experience retention leave	1	4
Other employee related expenses	5	7
Total employee benefit expenses	875	1 042

Targeted Voluntary Separation Packages (TVSPs)

No employees were paid TVSPs during the period from 1 July 2018 to 30 June 2019.

Remuneration of employees

	2019	2018
	Number	Number
The number of employees whose remuneration received or receivable falls within the following bands:		
\$151 001 - \$171 000	1	-
\$171 001 - \$191 000	-	1
Total Number of Employees	1	1

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
for the year ended 30 June 2019

2.4. Employee benefits liability

	2019	2018
	\$'000	\$'000
Current		
Annual leave	86	90
Skills and experience retention leave	5	7
Long service leave	47	40
Accrued salaries and wages	13	15
Total current employee benefits	151	152
Non-current		
Long service leave	384	344
Total non-current employee benefits	384	344
Total employee benefits	535	496

Employee benefits accrue to 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.

Salaries and wages, 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 liability for annual leave and the skills and experience retention leave is expected to be payable within 12 months and is measured at the undiscounted amounts 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.

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 reporting period using the projected unit credit method. Details about the measurement of long service leave is provided as note 9.1.

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

3. Expenses

3.1. Supplies and services

	2019	2018
	\$'000	\$'000
Administrative costs	14	13
Utilities	218	164
Property expenses	262	361
Information technology	36	42
Legal services	4	-
Materials and other purchases	18	26
Auditor's remuneration	34	34
Insurance	166	164
Plant, equipment and vehicle expenses	132	146
Operating leases	67	52
Other service contracts	777	799
Other	134	122
Total supplies and services	1 862	1 923

3.2. Depreciation and amortisation

	2019	2018
	\$'000	\$'000
Depreciation		
Buildings and infrastructure	612	624
Water, sewerage and drainage	79	45
Plant and equipment	51	43
Total depreciation expense	742	712

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.

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.

Useful Life

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

<u>Class of asset</u>	<u>Useful life (years)</u>
Buildings and infrastructure	4 to 100
Water, sewerage and drainage	25 to 87
Plant and equipment	2 to 48

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

3.3. Grant and subsidies

	2019	2018
	\$'000	\$'000
Community Affairs Resourcing Management Grants	248	155
Regional Development Initiatives	68	66
Sports and Youth Grants	6	-
Total grants and subsidies	322	221

3.4. Other expenses

	2019	2018
	\$'000	\$'000
Bad and doubtful debts expense	-	3
Community Levy	38	30
Asset write offs	-	11
Other	-	6
Total other expenses	38	50

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

4. Income

4.1. Net revenues from SA Government

	2019	2018
	\$'000	\$'000
Revenues from SA Government	2 464	1 402
Total revenues from SA Government	2 464	1 402

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.

The original amount appropriated to the Authority under the annual *Appropriation Act* was not varied however an additional amount of \$1.1 million was received from the Treasurer for working capital.

4.2. Advances and grants

	2019	2018
	\$'000	\$'000
Commonwealth Grants	1 555	1 502
Intra-government Transfers	252	328
Total advances and grants	1 807	1 830

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

Financial Assistance Grants	1 543	1 495
Outback Community Parks	-	76
Andamooka Town Services	64	62
Dunjiba Municipal Services	110	107
Other	90	90
Total advances and grants	1 807	1 830

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.

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

4.3. Resources received free of charge

	2019	2018
	\$'000	\$'000
Plant and equipment *	-	362
Total resources received free of charge	-	362

*In 2017-18, the Authority received free of charge assets for plant and equipment of the township of Leigh Creek from Generation Lessor Corporation. In 2018-19, no further assets were received.

4.4. Net Gain (Loss) from the Disposal of Non-Current Assets

	2019	2018
	\$'000	\$'000
Net gain (loss) from the disposal of non-current assets received / receivable:		
Plant and Equipment:		
Proceeds from disposal	-	100
Net book value of assets disposed	-	(17)
Net gain (loss) from disposal of plant and equipment	-	83

4.5. Other Income

	2019	2018
	\$'000	\$'000
Recoveries/reimbursements	136	177
Community Contribution Scheme	298	303
Other	14	5
Airstrip landing fees	44	47
Total other income	492	532

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.

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

5. Non-financial assets

5.1. Property, plant and equipment

	2019	2018
	\$'000	\$'000
Land		
Land at fair value	72	72
Total land	72	72
Buildings and Infrastructure		
Buildings and infrastructure at fair value	25 529	25 491
Accumulated depreciation	(15 079)	(14 467)
Total buildings and infrastructure	10 450	11 024
Water, sewerage and drainage		
Water, sewerage and drainage assets at fair value	2 742	2 516
Accumulated depreciation	(1 278)	(1 199)
Total water, sewerage and drainage	1 464	1 317
Plant and equipment		
Plant and equipment at fair value	1 195	1 142
Accumulated depreciation	(855)	(804)
Total plant and equipment	340	338
Work in progress		
Work in progress	175	432
Total work in progress	175	432
Total property, plant and equipment	12 501	13 183

Valuation of property, plant and equipment

The valuation of property assets including Land, Buildings and Infrastructure and Water and Sewerage assets were valued by Valuer-General as at 1 July 2017. 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. No asset classes were revalued in 2018-19.

Acquisition and Recognition

All non-current tangible assets with a value equal to or in excess of \$10,000 are capitalised.

Property, plant and equipment is recorded at fair value. Detail about the Authority's approach to fair value is set out in note 10.2.

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.

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

Reconciliation of property, plant and equipment

The following table shows the movement of property, plant and equipment during 2018-19:

2018-19	Land	Buildings and Infrastructure	Water, sewerage and drainage	Plant and Equipment	Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	72	11 024	1 317	338	432	13 183
Additions	-	-	-	-	59	59
Transfer from works in progress	-	37	226	52	(315)	-
Depreciation and amortisation	-	(612)	(79)	(51)	-	(742)
Other movements	-	1	-	1	(1)	1
Carrying amount at 30 June	72	10 450	1 464	340	175	12 501

The following table shows the movement of property, plant and equipment during 2017-18:

2017-18	Land	Buildings and Infrastructure	Water, sewerage and drainage	Plant and Equipment	Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	95	13 061	1 353	24	155	14 688
Additions	-	-	-	-	307	307
Disposals	-	-	-	(17)	-	(17)
Transfer from works in progress	-	30	-	-	(30)	-
Write offs	(11)	-	-	-	-	(11)
Resources received free of charge	-	-	-	362	-	362
Revaluations increment / (decrement)	(12)	(1 440)	8	15	-	(1 429)
Depreciation and amortisation	-	(624)	(45)	(43)	-	(712)
Other movements	-	(3)	1	(3)	-	(5)
Carrying amount at 30 June	72	11 024	1 317	338	432	13 183

Impairment

There were no indications of impairment of property, plant and equipment and infrastructure assets at 30 June 2019.

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

6. Financial assets

6.1. Cash

	2019	2018
	\$'000	\$'000
Deposits with the Department of Treasury and Finance	2 972	1 359
Total cash	2 972	1 359

Cash is measured at nominal amounts.

6.2. Receivables

	2019	2018
	\$'000	\$'000
Current		
Receivables	20	45
Expected credit loss	(2)	(2)
Accrued revenues	520	464
Prepayments	54	51
Total current receivables	592	558
Total receivables	592	558

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. Receivables are held with the objective of collecting contractual cash flows and they are measured at amortised cost.

Collectability of receivables is reviewed on an ongoing basis.

Impairment of Receivables

	2019	2018
	\$'000	\$'000
Balance at 30 June 2018 under AASB 139	2	-
Adjustments on initial adoption of AASB 9	2	-
Carrying amount at the beginning of the period	4	1
Write offs	(2)	-
Increase/(Decrease) in expected credit loss recognised in profit and loss	-	1
Carrying amount at the end of the period	2	2

AASB 9 Financial Instruments replaces the provisions of *AASB 139* that relate to recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of *AASB 9* from 1 July 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in financial statements.

The Authority's receivables balance was remeasured upon adoption of *AASB 9 Financial Instruments*, there was no impact to other Financial Instruments.

In accordance with transitional provisions and the *Treasurer's Instructions (Accounting Policy Statements)*, *AASB 9 Financial Instruments* was adopted without restating comparative information for classification and measurement requirements. All adjustments relating to classification and measurement are recognised in retained earnings at 1 July 2018. The total impact on the Authority's retained earnings as at 1 July 2018 was minor.

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

7. Liabilities

7.1. Payables

	2019	2018
	\$'000	\$'000
Creditors	2	26
Accrued expenses	48	46
Employment on-costs	21	20
Total current payables	71	92
Non-current		
Employment on-costs	36	32
Total non-current payables	36	32
Total payables	107	124

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 payroll tax and superannuation contributions with respect to outstanding liabilities for salaries and wages and associated 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 to beneficiaries as they have been assumed by the respective superannuation schemes. The only payable outstanding at reporting date relates to any contributions due but not yet paid.

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 remained unchanged from the 2018 rate of 41% and the average factor for the calculation of employer superannuation cost on-cost has changed from the 2018 rate of 9.9% to 9.8%. 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 and employee benefits expense. This increase was immaterial and the estimated impact on 2020 is not expected to be material.

8. Prior Period adjustments

8.1. Asset recognition – error correction

	2018	2017	Total
	\$'000	\$'000	\$'000
Land, buildings and facilities	-	116	116
Total adjustments - error correction	-	116	116

The table above represents total adjustments to equity identified. An adjustment of \$0.116 million was identified in the year ended 30 June 2019 which affect the year ended 30 June 2017.

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

9. Outlook

9.1. Unrecognised contractual commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclose at their nominal value (net of GST).

Operating lease commitments	2019	2018
	\$'000	\$'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	53	35
Later than one year but no later than five years	54	71
Later than five years	-	-
Total operating lease commitments	107	106

Operating leases relates to property and accommodation occupied by the Authority. The lease is cancellable, with rent payable monthly in advance for the property and accommodation lease. The remaining term of the lease is 2 years.

Other commitments	2019	2018
	\$'000	\$'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	17	78
Total other commitments	17	78

Other commitments relate to commitments arising from other service contracts.

9.2. Contingent assets and contingent liabilities

The Authority is not aware of any contingent assets or liabilities as at 30 June 2019.

9.3. Impact of standards and statements not yet effective

The Authority has assessed the impact of new and changed Australian Accounting Standards Board Standards and Interpretations not yet effective.

Treasurer's Instructions (Accounting Policy Statements) 2019 issued by the Treasurer on 22 March 2019 are effective for 2018-19 reporting period and are addressed below in relation to Standards not yet effective and in note 9.1. There are no Accounting Policy Statements that are not yet effective.

The material impacts on the Authority are outlined below.

Outback Communities Authority

Notes to and forming part of the financial statements

for the year ended 30 June 2019

AASB 15 – Revenue from Contracts and Customers and AASB1058 – Income of Not for Profit Entities

The Authority will adopt AASB 15 - *Revenue from Contracts with Customers* and AASB 1058-*Income of Not for Profit Entities* from 1 July 2019.

Objective

AASB 15 introduces a 5-step approach to revenue recognition. The objective of AASB 15 is that recognition of revenue depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. It provides extensive guidance as to how to apply this revenue recognition approach to a range of scenarios. AASB 15 – *Revenue from Contracts* replaces AASB 111 – *Construction Contracts* and AASB 118 – *Revenue*.

AASB 1058 introduces consistent requirements for the accounting of non-reciprocal transactions by not-for-profit entities, in conjunction with AASB 15. These requirements closely reflect the economic reality of not-for-profit entity transactions that are not contracts with customers. AASB 1058 replaces parts of AASB 1004 – *Contributions*.

Impact on 2019-20 financial statements

The Authority has assessed the adoption of AASB 15 and AASB 1058 and it is not expected to have a material impact on the timing of recognition of revenue by the Authority.

Related accounting policies

The *Treasurer's Instructions (Accounting Policy Statements) 2019* also sets out requirements for on-going application. These requirements include that Authority will:

- apply, where permitted, the short-term licences recognition exemption.
- adopt \$15,000 as the threshold to determine whether a licence is a licence for which the transaction price is of low value and will apply the low value licence recognition exemption for all low value licences.
- not recognise volunteer services when the services would not have been purchased if they had not been donated.

AASB 16 – Leases

The Authority will adopt AASB 16 – *Leases* from 1 July 2019.

Objective

AASB 16 sets out a comprehensive model for lease accounting that addresses recognition, measurement, presentation and disclosure of leases. The outcome will be that lease information disclosed will give users of financial statements a basis to assess the effect that leases have on the financial position, financial performance and cash flows of an entity. AASB 16 *Leases* replaces AASB 117 *Leases* and *Interpretation 4 Determining whether an Arrangement contains a Lease*, *Interpretation 115 Operating Leases – Incentives and Interpretation*, and *Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

Impact on 2019-20 financial statements

The Authority has assessed the estimated impact on the Statement of Financial Position of adopting AASB 16 with the transition requirements mandated by the Treasurer's Instructions (Accounting Policy Statements).

AASB 16 requires lessees to recognise assets and liabilities for all leases, not subject to a recognition exemption or scoped out of the application of AASB 16. Applying AASB 16 will result in leases previously classified as operating leases having right-of-use assets and related lease liabilities being recognised in the Statement of Financial Position for the first time. Lease incentive liabilities previously recognised will be written off against the right-of-use assets or retained earnings depending on the nature of the incentive.

Outback Communities Authority
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AASB 16 is expected to have a material impact on the Statement of Financial Position. The Authority has estimated the impact of this change and the results as at 1 July 2019.

The estimated impact is based on applying AASB 16's transition approach to those leases identified as leases by the Authority prior to 1 July 2019. The incremental borrowing rates applied to estimate the lease liability was provided by the South Australian Financing Authority forecast interest rate for principal and interest loans to SA Government agencies.

The estimated amounts disclosed are current estimates only. The Authority is continuing to refine its calculations of the lease asset and liabilities for 2019-20 financial reporting purposes and expects these estimated amounts will change. This includes accounting for the non-lease components and clarifying lease terms and the treatment of contractual rent increases.

The estimated impact is set out below.

	as at 1 July 2019 \$'000
	<hr/>
<u>Assets</u>	
Right-of-use assets	164
<u>Liabilities</u>	
Lease liabilities	<hr/> (164)
Net impact on equity	<hr/> -

AASB 16 will also impact on the Statement of Comprehensive Income. The operating lease expense previously included in supplies and services will mostly be replaced with:

- a depreciation expense that represents the use of the right-of-use asset; and
- borrowing costs that represent the cost associated with financing the right-of-use asset.

The estimated impact on 2019-20 Statement of Comprehensive Income is set out below.

	2020 \$'000
	<hr/>
Supplies and services	(83)
Depreciation and amortisation	83
Interest expense (Borrowing costs)	<hr/> 2
Net impact on net cost of providing services	<hr/> 2

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

Related accounting policies

- The Treasurer's Instructions (Accounting Policy Statements) sets out key requirements that the Authority must adopt for the transition to AASB 117 – *Leases* to AASB 16 *Leases*. These requirements include that the Authority will: apply AASB 16 retrospectively. The cumulative effect of initially applying the Standard will be recognised at 1 July 2019. Comparatives will not be restated
- only apply AASB 16 to contracts that were previously identified as containing a lease applying AASB 117 and related interpretations; and
- not transition operating leases for which the lease term ends before 30 June 2020.

The Treasurer's Instructions (Accounting Policy Statements) also sets out requirements for on-going application. These requirements include that Authority will:

- not apply AASB 16 to leases of intangible assets;
- adopt \$15,000 as the threshold to determine whether an underlying asset is a low value asset and must apply the low value asset recognition exemption to all low value assets;
- apply the short-term leases recognition exemption for all classes of underlying asset;
- separate non-lease components from lease components;
- adopt the revaluation model, where permitted;
- where required, apply the relevant lessee's incremental borrowing rate published by the Department of Treasury and Finance; and
- on initial recognition not record at fair-value leases that have significantly below-market terms and conditions principally to enable the Authority to further its objectives, unless they have already been recorded at fair-value prior to 1 July 2019.

9.4. 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

for the year ended 30 June 2019

10. Measurement and Risk

10.1. Long service leave liability – measurement

AASB 119 Employee Benefits contains the calculation methodology for long service leave.

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on 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.

AASB 119 Employee Benefits requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds has decreased from the 2018 rate of 2.5% to 1.25% in 2019.

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

The net financial effect of the changes in the current financial year is an increase in the long service leave liability of \$0.031 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions – a key assumption is 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. As a result there is no financial effect resulting from changes in the salary inflation rate.

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

10.2. Fair value

AASB 13 Fair Value Measurement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Acquisition and recognition

Non-current tangible 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.

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 i.e. the amount recorded by the transferor public authority immediately prior to the restructure.

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 uses the gross method in accounting for its assets when non-current assets are revalued, with the exception of land. 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.

Outback Communities Authority
Notes to and forming part of the financial statements
for the year ended 30 June 2019

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.

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

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

10.3. Financial instruments

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.

Liquidity risk

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.

All financial assets and liabilities are carried at cost and are current for 2019 and 2018.

INDEPENDENT AUDITOR'S REPORT

Government of South Australia

Auditor-General's Department



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**To the Presiding Member
 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 (OCA) for the financial year ended 30 June 2019.

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 2019, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions issued 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 2019
- a Statement of Financial Position as at 30 June 2019
- a Statement of Changes in Equity for the year ended 30 June 2019
- a Statement of Cash Flows for the year ended 30 June 2019
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Presiding Member 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 issued 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.

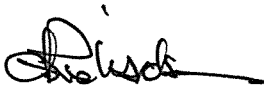
As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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, but not for the purpose of expressing an opinion on the effectiveness of the Outback Communities Authority's internal control
- 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 about, 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

27 September 2019