

A photograph of a pond with many green lily pads. In the upper right, a small fish is visible. The bottom right of the image shows a clear blue sky reflected in the water, with some white flowers visible on the left side.

18 19

Annual Report



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From the Chair

It is a pleasure and a privilege to Chair the Centennial Park Board. Centennial Park is so much more than a cemetery for mourning, it is a place that connects people through a rich tapestry of beautiful gardens, services, events and stories.

2018/19 has seen many great achievements including:

- Several improvements to the Park to enhance the experience of visitors including upgraded climate control in the Jubilee Complex, enhancements to the Children's areas, improved traffic management, landscaping in memorial gardens and improved accessibility through the purchase of electric buggies.
- A successful collaboration with owner councils to achieve cost efficiencies for many of our essential services such as waste management, cleaning and audit services.
- The ongoing commitment to reduce our environmental impact through the replacement of old technology and equipment, and use of renewable energy.
- Achieved an agreement between the Board, owner councils and auditors on how to implement changes to Australian Accounting Standards.
- Enhanced our community engagement through an effective Community Engagement program including hosting community and well-being events.
- Reaching an important milestone with plans for the Café and function spaces being submitted to Mitcham Council for approval. This successful completion of the project will enable us to continue to meet the changing needs of our families and the broader community into the future.



Geoff Vogt
– Chair

This year we saw several changes to the Board composition due to council elections. I take this opportunity to extend a warm welcome to our new members – Jane Russo and Michael Rabbitt representing the City of Unley, and Karen Hockley and David Munro representing the City of Mitcham. I would also like to thank our outgoing Board members Peter Hughes, Luke Smolucha, Glenn Spear and Adriana Christopoulos as well as our Interim Board members Peter Tsokas, Heather Holmes-Ross and Matthew Pears. Their collaborative and constructive approach to their duties as Board members is to be commended.

Thank you to CEO Janet Miller for her continued dedication and outstanding leadership throughout the year. Janet leads a dedicated team who continue to deliver on our Strategic Plan (2017 – 2022), developed to ensure Centennial Park will continue to operate commercially and meet the changing needs of the community. They do so with a demonstrable commitment to our values of compassion, inclusion, excellence and innovation. We are proud to share our progress towards our strategic priorities in this report.

It is particularly pleasing to report that Centennial Park generated an operating surplus of \$204k, after payment of a liability guarantee fee to each of the owner councils. This result is \$40k better than the prior year and demonstrates excellent financial management by the Centennial Park team. Importantly the surplus provides financial security for the long term future of the Park and assurance that the cost of maintaining the memorials and grounds at a high standard in accordance with our memorial and burial rights contractual commitments.

From the CEO

I would like to thank the team at Centennial Park, and the Board, for their support and continued hard work and dedication this year. There has been a strong commitment to the delivery of our Strategic Plan 2017-2022, which is helping us prepare to serve the communities of the future better.

Ours is a growing responsibility as thousands of families continue to choose Centennial Park as the final resting place for their loved ones. To ensure the Park continues to meet expectations, a balance of compassion and diligent financial and commercial management is required.

As a self-funding commercial enterprise, we are subject to competition and market pressures like any other business. With a clear focus on operational excellence, innovation and establishing meaningful community connections, we are progressing towards our goal of being South Australia's pre-eminent end of life resting place.

We welcomed a new member of our Senior Management team this year, Nadia Andjelkovic as Manager of Corporate Services. Nadia has overseen the day to day operations of Finance, ICT and Records Management as well as overseeing special projects such as the Server and Technology Infrastructure Upgrade and the procurement of a new Cemetery Management System. She has done so with professionalism and great diligence.

When it comes to funerals and memorialisation, families have many choices. Our facilities and processes are the best, and we ensure those that come into our care are treated with dignity and respect every step of the way. We are fully transparent about all our operations, including our crematorium and invite people to come behind the scenes and learn more by joining our regular guided tours.

We continue to advocate for the importance of memorialisation. This can mean different things to different people, but research has shown that rituals such as funeral services and memorials are important in helping us move through grief. A memorial provides an emotional and physical anchor point for those left behind.



Janet Miller
– CEO

This year we have undertaken several projects to improve the experience of visitors, including:

- A state-of-the-art cremator in our crematorium. The new cremator uses the latest technology and is the first of its kind in the country. It is more energy-efficient and provides improved ergonomics for operators.
- Upgraded the climate control system in the Jubilee Chapels Complex to provide a comfortable environment year-round for people attending services and functions within the chapels.
- We have made many enhancements to our children's memorial areas culminating in beautiful and whimsical areas where families can reflect upon lives lost too soon. Improvements include additional seating, gazebos, new plants and garden art.
- We have undertaken a server and technology infrastructure upgrade to ensure the stability and efficiency of our business systems.
- The tender to replace our Cemetery Management System was completed in November 2018. A detailed evaluation process followed, which considered replacing the current system against upgrading the current system. A supplier is expected to be appointed in 2019 with the system planned to go live in 2020.

Our café project continued to progress this year with the appointment of an architect. Conceptual plans were drafted and submitted to Mitcham Council for planning approval. We aim to appoint a builder and have construction underway this coming year. All things going well, we anticipate the café to be completed and operating by December 2020.

We have continued to improve our engagement with the community through media, social media, Park Life (our e-newsletter) and by hosting community events. Our events are always respectful of those memorialised here and the families and friends who visit. We warmly invite the community to come and enjoy the stunning botanical gardens and other facilities that we offer. Events this year included a children's book launch for The Present Box, a celebration to acknowledge Wally Shiers and his contribution to the Epic Flight, Mother's Day and Father's Day events, Christmas Carols and an outdoor sculptural exhibition in our gardens, in partnership with SALA.

In 2018 – 19, we collaborated with students from Torrens University to explore the memorialisation for the homeless. At Centennial Park, we believe all lives have worth and we recognise the need to remember the lives of those who are homeless and who may have lost touch with those who will mourn their loss and remember them. As a result of the research, we will be considering how Centennial Park can acknowledge the homeless and assist in their remembrance.

The team and I are looking forward to the year ahead as we continue to work towards delivering our strategic objectives and continue to provide the best possible service to our families and visitors.

OUR KEY STAKEHOLDERS

Centennial Park works with a diverse range of internal and external stakeholders. We value their contribution in helping us to continue to provide quality services and a beautiful space for the community to use.



Families



Funeral directors



Celebrants



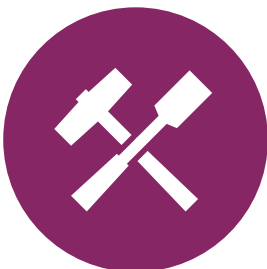
Suppliers



Employees



Local residents



Monumental masons



Cultural, religious and special interest groups



Local government



Community groups

AT A GLANCE

684
BURIALS



3,502
CREMATIONS



53
EMPLOYEES



1,524
MEMORIAL
APPOINTMENTS



150+
VARIETIES
OF ROSES



1,500
SQUARE METRES
OF LAWN



1,325 FUNERAL
SERVICES



3,500
TREES PLANTED



19
COMMUNITY
EVENTS
1,795
ATTENDEES

40 HECTARES
OF GARDENS
MAINTAINED



500,000
PARK VISITORS PER YEAR



338
JOINED A
BEHIND THE
SCENES TOUR

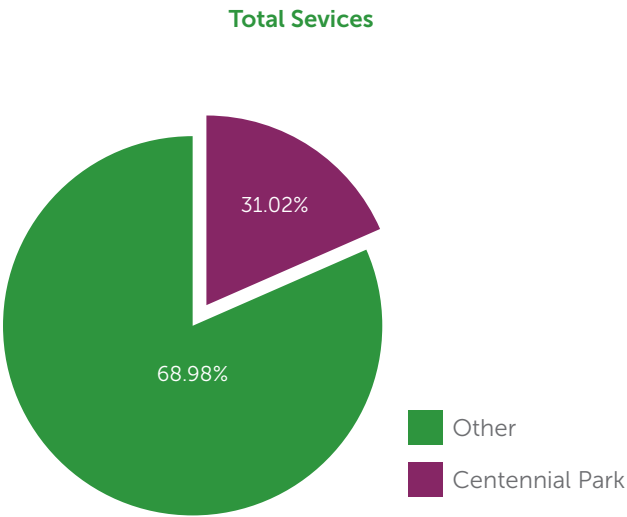
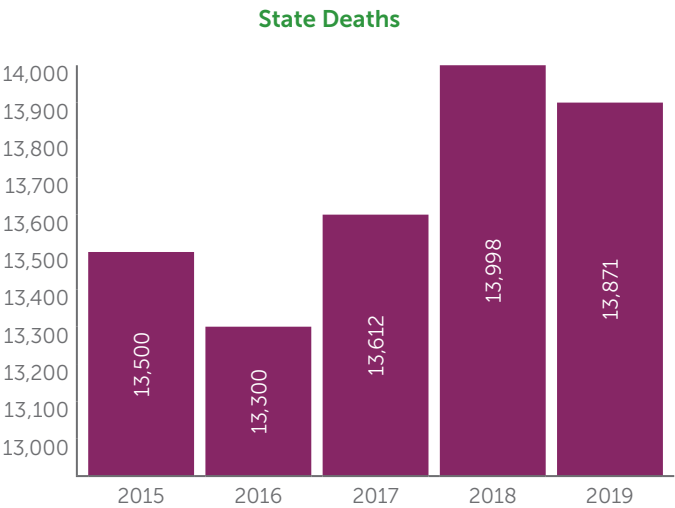


Operating environment

The provision of burial and cremation services, memorialisation of loved ones, memorial service spaces and after service gatherings are our core business activities. We undertake these activities with compassion, sensitivity and dignity.

State deaths

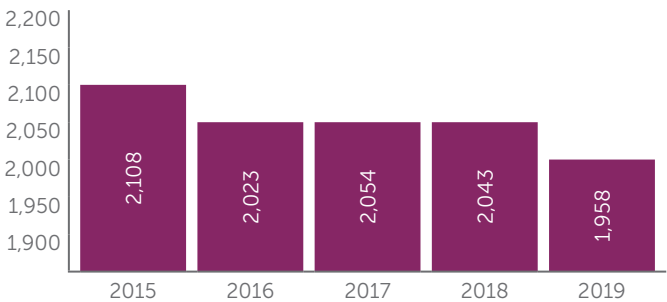
There was a slight decrease in deaths in South Australia during 2018/19. Centennial Park continues to provide a burial or cremation service for 31% of all recorded deaths in the state.



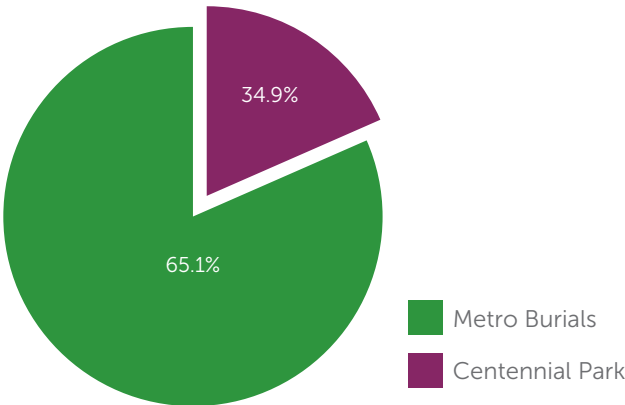
Burials

This period, there were 684 burials at Centennial Park, representing 34.9% of all metropolitan burials. This is a slight decline from the previous period, which is in line with the trend towards choosing cremation over burial.

State Burials



State Burials

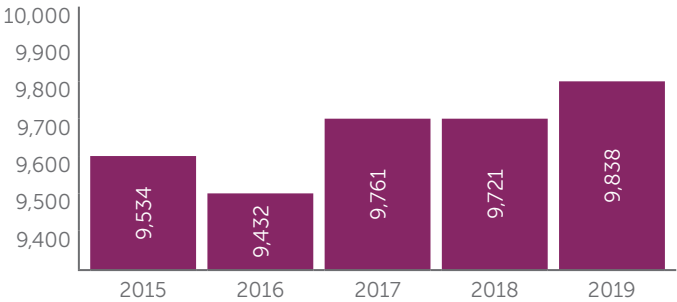


Cremations

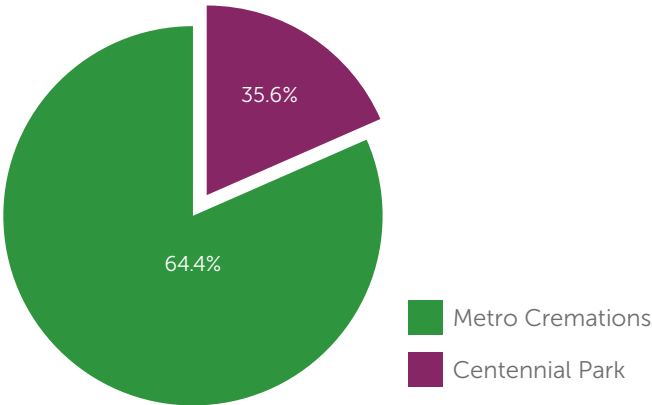
A total of 3,502 cremations occurred at Centennial Park during 2018/19, representing 35.6% of all cremations in South Australia.

Cremations continue to be the preferred choice over burials across the state. Centennial Park continues to maintain the largest market share of all crematoria in South Australia. This success is a reflection of our premium service and facilities.

State Cremations



State Cremations



Progress on Strategic Priorities

PRIORITY 1: MAXIMISE OUR EXISTING ASSETS

Cremator replacement upgrade

Centennial Park strives to be an industry leader and ensuring we continue to enhance and upgrade our infrastructure is a critical component of our strategy. In 2018/19, we replaced one of the three existing TABO Cremators with a state of the art Facultatieve Technologies FTIII Dual End Cremator.

This new cremator is the first of its kind in Australia and utilises the latest technology to improve efficiency and reduce maintenance. We anticipate energy savings will be achieved in the crematorium as a result of replacing the older high revolution furnace and ejector fans with new highly efficient variable speed fans.

Jubilee Complex - upgraded climate control

To improve the comfort of guests attending funeral services and events in our award-winning Jubilee Complex, a significant upgrade to the air-conditioning and ducting system has been completed. The old evaporative-boiler system has been replaced with a fully ducted reverse-cycle system allowing us to effectively control the climate within all areas of the building.

**"Two wonderful
hours spent walking
around your beautiful
wonderful peaceful park. It
is a credit to you all. Please
pass on my congratulations
to your Gardeners"**

— Susan



Landscaping & beautifying our park

We are continually working to keep our Park looking beautiful. We have completed several projects during the year including:

- Improvements to Children's areas including new landscaping, colourful plants, installation of garden art and covered seating areas. Granite beams for plaques to be mounted on have replaced the concrete beams and each grave has a pebble section for tributes to be placed.
- Levelling pathways within our cemetery grounds to offer improved access in all weather conditions.
- Installed 21 new beams, upon which headstones are placed, in Orthodox C, Catholic H and Acacia E areas to ensure we can continue to meet the demand for burial positions.
- Brick edges have been installed around several garden beds to help reduce the number of bare earth edges. This has improved the garden aesthetics and helped reduce the grounds maintenance work.

- Ensuring our staff have the tools required to keep Centennial Park looking as good as it does is very important to us. We carefully manage our fleet of vehicles and heavy machinery and this year introduced a rubber tracked excavator, beavertail truck and transfer van.
- Innovative storage options were introduced to the Operations Complex to help improve operational efficiency and protect our equipment.

Traffic Monitoring

Monitoring the number of visitors to our beautiful Park helps us manage our assets better. This year we have purchased and installed road traffic counters at each of our entrances. These have also allowed us to complete a traffic management plan, install new signage & improve line marking throughout the Park.

Progress on Strategic Priorities

PRIORITY 2: IMPROVE COMMUNICATION & ENGAGEMENT WITH OUR COMMUNITY

We continue to engage with the broader community by staging events and celebrations that embrace life, art, culture, horticulture, music and much more. These events and activities encourage a sense of connection to Centennial Park among the community and contribute to our goal of demystifying cemeteries. Below are just some of the highlights from the year.

Creating Community Conversations

We have developed a dedicated program of events and seminars to engage with a diverse range of community groups. Under this program, we have also conducted research to gain a better understanding of the expectations and customs of different cultural groups

With the support of DBH and MT Lawyers, we conduct free planning ahead seminars to provide information about wills and estate planning, advanced care directives, powers of attorney and pre-planned funeral arrangements.

We provide personalised bus and walking tours of the gardens and facilities at Centennial Park for a wide range of community groups as well as the general public. These increasingly popular tours are an excellent opportunity for us to not only showcase our gardens and facilities but to educate the community about the inner workings of a cemetery, including our crematorium.

Sculptures in the Park

In December the sculpture at the main entrance, Connection, was unveiled. It is a stunning sculpture - a beautifully emotive representation of all that Centennial Park stands for. The piece received considerable public attention, including coverage in The Advertiser.

During August, our stunning grounds were once again transformed into a sculptural walk as part as the SALA festival. We were pleased to have 18 sculptures throughout the gardens to attract visitors to contemplate life and art in the gardens.



Share the Dignity

Centennial Park partnered with Share the Dignity as a registered drop-off point for their "It's in the Bag" Christmas campaign. The initiative aimed to collect and distribute handbags filled with personal hygiene products and everyday luxuries to homeless women, women at risk and women experiencing domestic violence. We received an overwhelming response with 190 bags donated. As a result of this campaign partnership we received an abundance of positive social media engagement and feedback from the community.

Embracing Life Program

A wellness program, Embracing Life, was launched this financial year, to help us spread the message that there is life inside the gates of Centennial Park. This program allows us to create a connection to the Park via community inclusion and cultural diversity. We have partnered with local businesses and cultural groups to offer free wellness activities to the public, including Tai Chi, Yoga, Walking Meditation and Vedic Meditation. The program is still in its infancy and continues to develop.

**"Thank you to
Tammy, and Evelyn
of Yogita Yoga, for the
pleasant experience on the
lush green lawns, under those
huge shady trees, as we
stretched and breathed in
the rose perfumed air"**

— Lynn

Progress on Strategic Priorities

PRIORITY 3: GROW THROUGH INNOVATION

Environmental Performance

We are continually looking at new and innovative ways to reduce our overall environmental footprint at Centennial Park. Since 2007/08, we have instigated annual audits of our greenhouse gas (GHG) emissions and purchased certified carbon credits to offset those emissions we cannot eliminate.

Our most recent independent audit was commissioned by Pangolin Associates to conduct a comprehensive assessment of the greenhouse gas (GHG) emissions accountable to the operations of Centennial Park Cemetery Authority for the financial year FY 2017/18.

New Pricing Structure for Services

This year we introduced a new pricing structure for our chapel services. Mid-week services are now offered at a discounted rate to try to smooth demand across the week and also provide an option for the more budget-conscious families.

This year our estimated net total carbon emissions decreased by 13.9% from the previous period. In comparison to the base year of 2007/08, overall emissions have reduced by 42.5% (677.8 tonnes). Utilities remain the most significant contributor to our GHG emissions at 64.2% of gross emissions, primarily due to natural gas consumption in our crematorium operations.

Ceremonial Viewings and Rosaries

We now offer viewings in the Mawson Chapel the day before a service. The Mawson Chapel is larger than our Viewing Room, allowing for ceremonial viewings and gatherings to spend time with their loved one together before burial.



Electric Buggies for Visitors

We have invested in two electric buggies, each accommodating five passengers, to show people around the gardens. The open-air buggies allow us to drive visitors with reduced mobility along garden pathways so they can comfortably experience all areas of the gardens. We also use these buggies for our regular Behind the Scenes Tours showcasing our facilities

Community Partnerships

We partner with several not-for-profit organisations to help us maintain and improve our facilities.

Bedford Group

Local disability and support services provider, Bedford Group, help us to maintain our grounds. Bedford employees learn new skills and gain hands-on experience while working in our gardens. It helps us to expand our workforce on demand during busy periods in the park.

Urrbrae TAFE

Our gardens become a classroom for Urrbrae TAFE students who gain practical experience pruning our roses under the supervision of their lecturers. Rose pruning is one of the biggest tasks in the garden during the year, and we are pleased to be part of this mutually beneficial arrangement.

Trees for Life

As part of our commitment to a sustainable environment, we have planted 1,900 native trees and shrubs along the boundary of the Park. These plants were provided as tube stock by Trees for Life as part of our annual membership. Native plants are a vital part of our gardens; they add colour and texture and attract native fauna and bees.

Progress on Strategic Priorities

PRIORITY 4: STRENGTHEN ORGANISATIONAL CAPACITY

Information & Communications Technology

Our business is increasingly relying on Information & Communications Technology. A number of key initiatives were undertaken this year to ensure our systems can carry us into the future and equip us to provide a better user experience for staff and customers. These initiatives included:

- Commenced planning for the replacement of our Cemetery Management System which is our core software system. Ensuring we safeguard our data and leverage contemporary system architecture to improve work practices and ultimately, the service we provide to our customers and stakeholders.
- Replaced our IT infrastructure hardware to improve performance and capacity to meet our current and future needs. This has increased our data security and reduced downtime, resulting in a better experience for our employees and customers.
- Upgraded our electronic records management software to ensure we continue to receive system support and meet our compliance requirements.
- Upgraded our desktop hardware and software resulting in improved efficiencies, workplace flexibility and a more stable technology environment.
- Planning for the migration to the cloud-based Office 365 which will increase availability and capacity of systems.

People & Culture

A high performing team culture is essential to achieving our vision. Our departmental business and action plans continue to underpin the objectives of the broader strategic plan, and our values drive our decisions, actions and behaviours.

This year we have implemented a new Performance Development Review (PDR) framework, with our values at the forefront in the way we view strong performance and achievement. This new framework will ensure that we effectively recognise the contributions of all team members in attaining our strategic objectives and provide a mechanism to discuss feedback, challenges, professional development and career aspirations. It will also ensure that our core values are the principles by which we conduct business as individuals and as an organisation.

We recognise that establishing and sustaining long-term high-performance centres around the capacity of our team and the culture we foster. We therefore continue to explore ongoing professional development opportunities that strengthen our leadership capacity and the expertise of our team members.

This year we have had a strong focus on mental health in the workplace and have commenced the roll-out of Mental Health First Aid training across the organisation. This will continue to be a focus for the business, as will other complementary programs that support the well-being of our team and customers.

We continue to review our resourcing needs to ensure that we respond and adapt to the needs of customers while anticipating future needs.



Work Health & Safety

In line with our broader culture of care and compassion, Centennial Park takes seriously its responsibility to provide a safe and healthy working environment. Our goal is to eliminate, where possible, the risk of accident or incident, customer complaints and work-related injuries.

To continue to measure our performance in Work Health Safety and Injury Management against the key performance indicators set out by the LGAWCS in November 2017. The next review is scheduled for October 2019.

To foster general good health among our employees, we continue to offer the CHG Healthy Lifestyle Program.

The below table summarises our WHS data for the last 5 years:

| Indicator | FY18/19 | FY 17/18 | FY 16/17 | FY 15/16 | FY 14/15 |
|---|---------|----------|----------|----------|----------|
| Number of injuries resulting in lost time at work | 3 | 0 | 0 | 0 | 1 |
| Lost days due to injury | 3 | 0 | 0 | 0 | 73 |
| Number of accidents/incidents reported | 27 | 36 | 46 | 44 | 43 |
| Number of hazards reported | 4 | 7 | 9 | 12 | 10 |
| Number of workplace inspections completed | 12 | 12 | 12* | 23 | 23 |
| Attendance record at WHS Committee meetings | 87.5% | 89% | 89.5% | 96% | 89% |

*Following the completion of a formal risk assessment, the frequency of workplace inspections were reduced from bimonthly in all areas to 6 monthly in low-risk areas and quarterly in medium-risk areas.

The Board

The Centennial Park Cemetery Board is our main decision-making body and is comprised of seven members – two members from each of the constituent councils and three independent members.

Each board member contributes unique skills as well as considerable commercial or local government experience. This ensures robust discussion, sound strategic decision-making, and high levels of transparency, accountability and corporate governance. All board members are active in their attendance at meetings and on committees to ensure they keep abreast of industry and other developments for the continual improvement of the Park.

Council Elections held during 2018/19 saw the departure of four board members and the appointment for four new board members. We thank the outgoing and interim board members for their service and welcome our new board members.

CURRENT BOARD MEMBERS



Geoff Vogt
(Chair since July 2017 –
appointed to the Board June 2011)



Andrew Kay
(Independent –
appointed April 2017)



Amanda Heyworth
(Independent –
appointed July 2017)



Jane Russo
(City of Unley –
appointed February 2019)



Michael Rabbitt
(City of Unley –
appointed February 2019)



Karen Hockley
(City of Mitcham –
appointed February 2019)



Dave Munro
(City of Mitcham –
appointed February 2019)



PREVIOUS BOARD MEMBERS

Peter Hughes
(City of Unley appointed
January 2017 – February 2019)

Luke Smolucha
(City of Unley appointed January
2015 – November 2018)

Glenn Spear
(City of Mitcham appointed
June 2016 – November 2018)

Adriana Christopoulos
(City of Mitcham appointed
November 2014 – November 2018)

INTERIM BOARD MEMBERS

Peter Tsokas
(City of Unley appointed
November 2018 – February 2019)

Heather Holmes-Ross
(City of Mitcham appointed
November 2018 – February 2019)

Matthew Pears
(City of Mitcham appointed
November 2018 – February 2019)

Board/ Committee Member Meeting Attendance

| Board /Committee Member | Committee | Meeting Attendance |
|----------------------------|---------------------------------|--------------------|
| A Heyworth | Audit & Risk Management (Chair) | 4/4 |
| A Kay | Audit & Risk Management | 3/4 |
| G Martinella (Independent) | Audit & Risk Management | 3/4 |

Board Member Meeting Attendance

| Board Member | Meeting Attendance |
|----------------------------|--------------------|
| G Vogt (Chair) | 10/10 |
| A Kay | 10/10 |
| A Heyworth | 8/10 |
| A Christopoulos | 2/3 |
| L Smolucha | 3/3 |
| G Spear | 2/3 |
| P Hughes | 5/5 |
| H Holmes-Ross (interim BM) | 1/1 |
| M Pears (interim BM) | 0/1 |
| P Tsokas (interim BM) | 1/2 |
| J Russo | 5/5 |
| M Rabbitt | 5/5 |
| K Hockley | 6/6 |
| D Munro | 6/6 |

Financial Performance

The Authority once again recorded an operating surplus. The final result of \$204K was \$40k better than the previous period, a 24% improvement.

The Liability Guarantee Fee paid to the owner Councils was \$626K in total, which is 2% more than last year.

Before the payment of Liability Guarantee Fee, the result for the year was \$830K, resulting in a net operating surplus of 8% of revenue.

Cash at Bank is \$9.7M, which is much higher than budgeted due to capital works occurring at a slower rate than initially forecasted.

A complete set of audited general purpose financial reports follows in this Annual Report.



ANNUAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2019

Centennial Park Cemetery Authority

760 Goodwood Road, Pasadena, South Australia 5042

Telephone: (08) 8276 6011 – Facsimile (08) 8275 2266

Email: enquiry@centpark.org.au

Website: www.centennialpark.org.au

CENTENNIAL PARK CEMETERY AUTHORITY GENERAL PURPOSE FINANCIAL REPORTS

FOR THE YEAR ENDED 30 JUNE 2019

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CENTENNIAL PARK CEMETERY AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

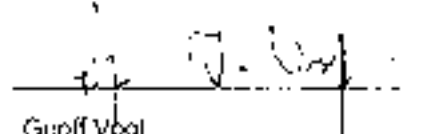
CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Centennial Park Cemetery Authority to certify the financial statements in their final form. In our opinion:

- The accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards.
- The financial statements present a true and fair view of the Authority's financial position at 30 June 2019 and the results of its operations and cash flows for the financial year.
- Internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- The financial statements accurately reflect the Authority's accounting and other records.



Janet Miller
CHIEF EXECUTIVE OFFICER



Geoff Vogl
CHAIR OF THE BOARD

Dated this 2nd day of August 2019

CENTENNIAL PARK CEMETERY AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|-------------------|-------------------|
| Income | | | |
| User charges - Sales | 2 | 10,723,617 | 10,238,964 |
| Investment income | 2 | 249,173 | 248,883 |
| Total Income | | 10,972,790 | 10,487,847 |
| Expenses | | | |
| Employee costs | 3 | 4,645,568 | 4,368,239 |
| Materials, contracts & other expenses | 3 | 4,528,403 | 4,512,534 |
| Depreciation, amortisation & impairment | 3 | 1,594,475 | 1,490,169 |
| Total Expenses | | 10,768,446 | 10,370,942 |
| Operating Surplus / (Deficit) | | 204,345 | 116,905 |
| Net gain (loss) on disposal or revaluation of assets | 4 | (231) | 47,130 |
| Net Surplus / (Deficit) | | 204,114 | 164,035 |
| Other Comprehensive Income | | | |
| Changes in revaluation surplus | 9 | - | - |
| Total Other Comprehensive Income | | - | - |
| Total Comprehensive Income | | 204,114 | 164,035 |

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies

CENTENNIAL PARK CEMETERY AUTHORITY

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|-------------------|-------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 5 | 9,713,151 | 9,796,520 |
| Trade & Other Receivables | 5 | 871,642 | 850,275 |
| Inventories | 5 | 857,131 | 896,377 |
| Total Current Assets | | 11,441,924 | 11,543,172 |
| Non-Current Assets | | | |
| Infrastructure, Property, Plant & Equipment | 7 | 36,696,943 | 36,404,152 |
| Other Non-current Assets | 6 | 495,086 | 569,152 |
| Total Non-current Assets | | 37,192,029 | 36,973,304 |
| TOTAL ASSETS | | 48,633,953 | 48,516,476 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade & Other Payables | 8 | 2,147,375 | 2,307,824 |
| Provisions | 8 | 596,800 | 533,701 |
| Total Current Liabilities | | 2,744,175 | 2,841,525 |
| Non-Current Liabilities | | | |
| Provisions | 8 | 14,608,865 | 14,631,636 |
| Total Non-current Liabilities | | 14,608,865 | 14,631,636 |
| TOTAL LIABILITIES | | 17,353,040 | 17,473,161 |
| Net Assets | | 31,280,913 | 31,043,315 |
| EQUITY | | | |
| Contributed Equity | | 48,702 | 48,702 |
| Accumulated Surplus | | 7,888,780 | 7,684,666 |
| Asset Revaluation Reserve | 9 | 23,227,097 | 23,227,097 |
| Other Reserves | 9 | 116,334 | 82,850 |
| Total Authority Equity | | 31,280,913 | 31,043,315 |

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies

CENTENNIAL PARK CEMETERY AUTHORITY

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

| | Notes | Accumulated Surplus \$ | Asset Revaluation Reserve \$ | Other Reserves \$ | Contributed Equity | TOTAL EQUITY \$ |
|--|-------|------------------------------|---------------------------------------|-------------------------|-----------------------|-----------------------|
| 2019 | | | | | | |
| Balance at end of previous reporting period | | 7,684,666 | 23,227,097 | 82,850 | 48,702 | 31,043,315 |
| Restated opening balance | | 7,684,666 | 23,227,097 | 82,850 | 48,702 | 31,043,315 |
| Net Surplus / (Deficit) for Year | | 204,114 | - | - | - | 204,114 |
| Other Comprehensive Income | | | | | | |
| Gain (loss) on Revaluation of I, PP & E | | | | | | - |
| Impairment / Recoupments offset to asset revaluation reserve | | | | | | - |
| Transfers to Reserves | 9 | - | - | 33,484 | - | 33,484 |
| Balance at end of period | | 7,888,780 | 23,227,097 | 116,334 | 48,702 | 31,280,913 |
| 2018 | | | | | | |
| Balance at end of previous reporting period | | 7,520,631 | 23,227,097 | 30,769 | 48,702 | 30,827,199 |
| Net Surplus / (Deficit) for Year | | 164,035 | - | - | - | 164,035 |
| Other Comprehensive Income | | | | | | |
| Gain (loss) on Revaluation of I, PP & E | | - | | | | - |
| Impairment / Recoupments offset to asset revaluation reserve | | | | 52,081 | - | 52,081 |
| Balance at end of period | | 7,684,666 | 23,227,097 | 82,850 | 48,702 | 31,043,315 |

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies

CENTENNIAL PARK CEMETERY AUTHORITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|--------------------|--------------------|
| Cash Flows from Operating Activities | | | |
| <u>Receipts</u> | | | |
| Operating Receipts | | 10,702,250 | 10,086,718 |
| Investment Receipts | | 249,173 | 248,883 |
| <u>Payments</u> | | | |
| Operating Payments to Suppliers & Employees | | (9,221,358) | (8,200,434) |
| Net Cash provided by (or used in) Operating Activities | 10 | 1,730,065 | 2,135,167 |
| Cashflow from Investing Activities | | | |
| <u>Receipts</u> | | | |
| Sale of Replaced Assets | 4 | 77,071 | 98,499 |
| <u>Payments</u> | | | |
| Expenditure on Renewal/Replacement of Assets | 14 | (1,530,949) | (2,555,834) |
| Expenditure on New/Upgraded assets | 14 | (359,556) | (518,874) |
| Net Cash provided by (or used in) Investing Activities | | (1,813,434) | (2,976,209) |
| Cashflow from Financing Activities | | | |
| Net Cash provided by (or used in) Financing Activities | | - | - |
| Net Increase (Decrease) in Cash Held | | (83,369) | (841,042) |
| Cash & Cash Equivalents at beginning of period | | 9,796,520 | 10,637,562 |
| Cash & Cash Equivalents at end of period | | 9,713,151 | 9,796,520 |

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

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

The financial report covers Centennial Park Cemetery Authority ("the Authority") as an individual entity and regional subsidiary in South Australia under the Local Government Act.

The Authority is a regional subsidiary under the Local Government Act 1999 jointly controlled by the City of Mitcham and the City of Unley.

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

The Board evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Authority.

1.4 Rounding

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

2 The Reporting Entity

The Centennial Park Cemetery Authority is established under the SA Local Government Act 1999 and has its principal place of business at 760 Goodwood Road, Pasadena.

The principal activities relating to the Authority's functions are:

Provision of cremation, cemetery, chapel services and memorial garden facilities.

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

All revenue is recognised when the transaction is completed. Cremation, burial interment and monumental permit fees are recognised when the service is performed. Plaque and base sales are recognised when payment is received. Cemetery and memorial interment right fees are regarded as the sale of the right of interment to the purchaser. The transaction is considered complete once the right of interment is granted and does not constitute a rental agreement. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

4 Cash, Cash Equivalents and other Financial Instruments

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

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful. As at 30th June 2019 there were no doubtful debts (2018: \$0.00).

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 11.

5 Inventories

All inventories are valued at the lower of cost or net realisable value. Costs are assigned on a specific identification basis and include costs and appropriate overheads if any.

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed and ready for use.

6.2 Materiality

The current policy is to expense all capital items less than \$1,000.

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

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

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

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

| | |
|-------------------|-----------------|
| Plant & Equipment | 2.5 to 10 years |
| Buildings | 65 to 70 years |
| Other Structures | 35 to 65 years |
| Infrastructure | 12 to 100 years |
| Motor Vehicles | 4 to 10 years |

6.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, are not subject to impairment testing.

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

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

Land used for cemetery purpose is zoned Institutional and subject to legislative restrictions and considered to be impaired.

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

Amounts received from external parties in advance of service delivery are recognised as liabilities until the service is delivered, or the amount is refunded as the case may be.

8 Employee Benefits

8.1 Salaries, Wages & Compensated Absences

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

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Present values are calculated using the 10 year government bond rate – weighted average of 2.20% (2018: 2.20%)

No accrual is made for sick leave as the Authority experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave, except when a staff member leaves and within 13 weeks of having done so, is engaged by an entity covered by the Local Government Act (SA) 1999.

8.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Statewide Superannuation Scheme (the Scheme), and other superannuation schemes selected by employees under the “choice of fund” legislation. The Scheme has two types of membership, each of which is funded differently. Details are included in Note 16.

9 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117. Lease payments are charged to expense over the lease term.

10 GST Implications

In accordance with UIG Abstract 1031 “Accounting for the Goods & Services Tax” Receivables and Creditors include GST receivable and payable. Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable. Non-current assets and capital expenditures include GST net of any recoupment. Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense.

11 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AASB 101.

12 Future Upkeep Provision

Interment Rights are issued for varying terms from 25 years up to and including perpetuity. Interment Rights can be extended for a minimum of five year increments. Interment Right holders have an expectation that the Park environs will be maintained to an appropriate standard for the interment right period. The Authority considers this to be a constructive obligation.

In accordance with AASB 137 “Provisions, Contingent Liabilities and Contingent Assets” a provision is recognised when there is a legal or constructive obligation as a result of a past event and it is probable that a future sacrifice of economic benefits will be required and that outflow can be reliably measured.

There was no change made to the Future Upkeep Provision for the 2018/19 financial year.

The 2019/20 financial year will see a significant change to the Future Upkeep Provision due to the application of new accounting standards as per note 1.15.

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

13 Payments to Constituent Councils

A Liability Guarantee fee of \$626,000 was paid to the Constituent Councils (2018 Liability Guarantee Fee (\$616,047)).

14 Income Tax

Centennial Park is exempt from Income Tax by virtue of it satisfying the provisions of section 24AR of the Income Tax Assessment Act 1936 so as to constitute a State/Territory body.

15 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2019 reporting period and have not been used in preparing these reports.

| | |
|----------|---------------------------------------|
| AASB7 | Financial Instruments – Disclosures |
| AASB9 | Financial Instruments |
| AASB15 | Revenue from Contracts with Customers |
| AASB16 | Leases |
| AASB1058 | Income of Not-for-Profit Entities |

The Authority is of the view that other than AASB 15 and AASB 16, none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

The Authority has reviewed the introduction of AASB 15 and AASB 16 and have determined that the application of AASB 16 will have a material impact to the revenue of the Authority from the 2019/20 financial year. It is estimated that the impact to revenue will be a deferred amount of approximately \$869,000.

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 2 - INCOME

| | Notes | 2019 \$ | 2018 \$ |
|------------------------------------|-------|-------------------|-------------------|
| USER CHARGES - SALES | | | |
| Cremation | | 1,592,279 | 1,553,477 |
| Memorial | | 2,766,186 | 1,884,068 |
| Burial | | 4,886,135 | 4,792,866 |
| Chapel Fees | | 1,422,322 | 1,369,391 |
| Sundry Income | | 56,695 | 639,162 |
| | | 10,723,617 | 10,238,964 |
| INVESTMENT INCOME | | | |
| Interest on Investments | | | |
| Local Government Finance Authority | | 215,242 | 181,889 |
| Banks & Other | | 33,931 | 66,994 |
| | | 249,173 | 248,883 |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3 - EXPENSES

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|------------------|------------------|
| EMPLOYEE COSTS | | | |
| Salaries and Wages | | 3,848,433 | 3,657,127 |
| Employee leave expense | | 343,175 | 315,392 |
| Superannuation - defined contribution plan contributions | 16 | 371,874 | 371,990 |
| Workers' Compensation Insurance | | 117,500 | 106,287 |
| Less: Capitalised and distributed costs | | (35,415) | (82,557) |
| Total Operating Employee Costs | | 4,645,568 | 4,368,239 |
| Total Number of Employees | | 53 | 51 |
| <i>(Full time equivalent at end of reporting period)</i> | | | |
| MATERIALS, CONTRACTS & OTHER EXPENSES | | | |
| <u>Prescribed Expenses</u> | | | |
| Auditor's Remuneration | | | |
| - Auditing the financial reports | | 18,603 | 16,500 |
| Subtotal - Prescribed Expenses | | 18,603 | 16,500 |
| <u>Other Materials, Contracts & Expenses</u> | | | |
| Contractors | | 477,762 | 656,580 |
| Energy | | 281,332 | 273,346 |
| Insurance | | 119,253 | 83,878 |
| Maintenance | | 569,413 | 590,589 |
| Legal Expenses | | 47,796 | 38,155 |
| Parts, accessories & consumables | | 1,840,809 | 1,716,776 |
| Professional services | | 276,976 | 277,413 |
| Sundry | | 270,460 | 243,250 |
| Individually Significant Items | | | |
| Liability Guarantee | | 626,000 | 616,047 |
| Subtotal - Other Materials, Contracts & Expenses | | 4,509,800 | 4,496,034 |
| | | 4,528,403 | 4,512,534 |
| INDIVIDUALLY SIGNIFICANT ITEMS | | | |
| Liability Guarantee Fee | | 626,000 | 616,047 |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3 - EXPENSES (CONT)

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|------------------|------------------|
| DEPRECIATION, AMORTISATION & IMPAIRMENT | | | |
| Depreciation | | | |
| Buildings & Other Structures | | 298,161 | 282,481 |
| Infrastructure | | 785,235 | 740,249 |
| Plant & Equipment | | 328,655 | 305,164 |
| Motor Vehicle | | 182,241 | 162,275 |
| | | 1,594,292 | 1,490,169 |
| Amortisation | | | |
| Trademarks | | 183 | - |
| | | 183 | - |
| | | 1,594,475 | 1,490,169 |

Note:

There is no Impairment that affects the Statement of Comprehensive Income.

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|--------------|---------------|
| INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT | | | |
| <i>Assets Renewed or Directly Replaced</i> | | | |
| Proceeds from disposal | | 77,071 | 98,499 |
| Less: Carrying amount of assets sold | | 77,302 | 51,369 |
| Gain (Loss) on Disposal | | (231) | 47,130 |
| Net Gain (Loss) on Disposal or Revaluation of Assets | | (231) | 47,130 |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 5 - CURRENT ASSETS

| | Notes | 2019 \$ | 2018 \$ |
|--------------------------------------|-------|------------------|------------------|
| CASH & CASH EQUIVALENTS | | | |
| Cash on Hand and at Bank | | 226,912 | 201,089 |
| Deposits at Call | | 886,239 | 1,095,431 |
| Short Term Deposits & Bills, etc | | 8,600,000 | 8,500,000 |
| | | 9,713,151 | 9,796,520 |
| TRADE & OTHER RECEIVABLES | | | |
| Debtors - General | | 652,701 | 680,094 |
| Prepayments & Other Receivables | | 218,941 | 170,181 |
| Total | | 871,642 | 850,275 |
| INVENTORIES | | | |
| Stores & Materials | | 10,274 | 5,939 |
| Trading Stock | | 846,857 | 890,438 |
| | | 857,131 | 896,377 |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 6 - NON-CURRENT ASSETS

| | Notes | 2019 \$ | 2018 \$ |
|---------------------------------|-------|----------------|----------------|
| OTHER NON-CURRENT ASSETS | | | |
| Capital Works-in-Progress | | 489,276 | 569,152 |
| Trademarks | | 5,810 | - |
| | | 495,086 | 569,152 |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

| | Fair Value Level | as at 30 June 2018 | | | | Asset Movements during the Reporting Period | | | | | | | as at 30 June 2019 | | | | |
|---|------------------|--------------------|-----------|--------------|-----------------|---|-----------|-----------|------------------------|-------------------------------|-------------------------|--|--------------------|-----------|-------------------|-----------------|--|
| | | At Fair Value | At Cost | Acc. Dep'n | Carrying Amount | Asset Additions | | | WDV of Asset Disposals | Depreciation Expense (Note 3) | Adjustments & Transfers | Revaluation Increments to Equity (ARR) | At Fair Value | At Cost | Accumulated Dep'n | Carrying Amount | |
| | | | | | | New / Upgrade | Renewals | | | | | | | | | | |
| Land | 2 | 5,650,000 | | - | 5,650,000 | - | - | - | - | - | - | - | 5,650,000 | | - | 5,650,000 | |
| Buildings & Other Structures | 2 | 25,000 | 606,730 | (5,965) | 625,765 | | 560,792 | (21,488) | - | - | - | - | 25,000 | 1,167,522 | (27,453) | 1,165,069 | |
| Buildings & Other Structures | 3 | 20,317,672 | | (7,714,858) | 12,602,814 | | 21,444 | (276,673) | - | - | - | - | 20,293,372 | | (7,991,531) | 12,301,841 | |
| Infrastructure | 2 | 25,000 | 2,116,789 | (16,709) | 2,125,080 | 395,046 | 18,638 | (73,862) | - | - | - | - | 25,000 | 2,530,473 | (90,571) | 2,464,902 | |
| Infrastructure | 3 | 51,997,150 | | (38,007,860) | 13,989,290 | | | (1,430) | - | - | - | - | 51,997,150 | | (38,720,663) | 13,276,487 | |
| Plant & Equipment | | - | 3,228,545 | (2,542,195) | 686,350 | 81,536 | 608,075 | (7,133) | - | - | - | - | - | 3,918,156 | (2,877,983) | 1,040,173 | |
| Motor Vehicles | | - | 1,350,012 | (625,159) | 724,853 | | 278,857 | (182,241) | - | - | - | - | - | 1,628,869 | (830,398) | 798,471 | |
| Total Infrastructure, Property, Plant & Equipment | | | | | | | | | | | | | | | | | |
| | | 78,014,822 | 7,302,076 | (48,912,746) | 36,404,152 | 476,582 | 1,487,806 | (77,305) | (1,594,292) | - | - | - | 77,990,522 | 9,245,020 | (50,538,599) | 36,696,943 | |
| Comparatives | | 78,067,729 | 4,595,334 | (47,984,477) | 34,678,586 | 1,692,394 | 1,570,609 | (51,369) | (1,490,169) | 4,100 | 1,725,565 | | 78,014,822 | 7,302,076 | (48,912,746) | 36,404,152 | |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

1 Valuation of Assets

2 Fair Value Measurement

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for recognition and measurement requirements for disclosure purposes.

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

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

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

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

Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to fair value measurement.

Valuation techniques used to derive Level 2 and Level 3 fair values recognised in the financial statements

The following table sets out the valuation techniques used to measure fair value within Level 2, including a description of the significant inputs used.

| Description | Valuation approach and inputs used |
|------------------------------|--|
| Land | Sale price comparison approach. Sales prices of comparable land in a similar location are adjusted for differences in key attributes such as land size. The valuation model is based on price per square metre. |
| Buildings & Other Structures | Depreciated replacement cost being the current cost to construct the asset (or its modern engineering equivalent) less an allowance for depreciation that would have accumulated since original construction. Buildings and other structures have been allocated to Level 2 where unobservable inputs do not have a significant impact on the valuation. |

The following table sets out the valuation techniques used to measure fair value within Level 3, including a description of the significant inputs used.

| Description | Valuation approach and inputs used |
|------------------------------|---|
| Buildings & Other Structures | Depreciated replacement cost being the current cost to construct the asset (or its modern engineering equivalent) less an allowance for depreciation that would have accumulated since original construction. |
| Infrastructure | Depreciated replacement cost being the current cost to construct the asset (or its modern engineering equivalent) less an allowance for depreciation that would have accumulated since original construction. |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Building & Other Structures and Infrastructure shown in fair value hierarchy level 2 and 3 were revalued as at 30 April 2017 by Martin Burns, Senior Commercial Valuer – Certified Practicing Valuer of Liquid Pacific. Subsequent additions at cost have been disclosed in the respective fair value hierarchy on the basis that cost is a material representation of fair value.

Land for cemetery purposes is zoned Institutional and is considered a restricted asset. The valuation of the Land was based on sales of similarly zoned land which prohibit development.

Increases in the carrying amount arising on revaluation of land, buildings, improvements, plant, machinery and contents are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset class are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

3 Land & Land Improvements

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset.

Land available for burials and memorials is a restricted asset as the Authority has issued interment rights to third parties for perpetuity and the site must be maintained for the term of the interment right.

4 Buildings & Other Structures

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The cost of assets constructed within the Authority includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

5 Infrastructure

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The cost of assets constructed within the Authority includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

6 Plant, Furniture & Equipment

Plant and equipment is carried at cost, less any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

7 Motor Vehicles

Motor vehicles are measured on the cost basis less accumulated depreciation and impairment losses..

The carrying amount of motor vehicles is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

8 Capitalisation Thresholds

All items where the purchase price is less than \$1,000 excluding GST are expensed.

9 Estimated Useful Lives

The range of useful lives for the classes of assets is shown below:

| Class | | Useful Life |
|------------------------------|-------------------|-----------------|
| Plant, Furniture & Equipment | Plant & Equipment | 2.5 to 10 years |
| Building & Other Structures | Buildings | 65 to 70 years |
| | Other Structures | 35 to 65 years |
| Infrastructure | Infrastructure | 12 to 100 years |
| Motor Vehicles | Motor Vehicles | 4 to 10 years |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 8 - LIABILITIES

| | | 2019 | | 2018 | |
|---|-------|------------------|-------------------|------------------|-------------------|
| | | \$ | | \$ | |
| | Notes | Current | Non-current | Current | Non-current |
| TRADE & OTHER PAYABLES | | | | | |
| Goods & Services | | 712,212 | | 488,788 | - |
| Payments Received in Advance | | 1,197,032 | | 742,236 | - |
| Accrued expenses - Employee Entitlements | | 34,971 | | 164,257 | - |
| Accrued expenses - Other | | 191,699 | | 668,460 | - |
| Other | | 11,461 | | 244,083 | - |
| | | 2,147,375 | - | 2,307,824 | - |
| PROVISIONS | | | | | |
| Employee entitlements (including oncosts) | | 596,800 | 46,865 | 533,701 | 69,636 |
| Heritage Monuments Restoration | | | 36,000 | - | 36,000 |
| Future Upkeep Provision | 1.12 | | 14,526,000 | - | 14,526,000 |
| | | 596,800 | 14,608,865 | 533,701 | 14,631,636 |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 9 - RESERVES

| ASSET REVALUATION RESERVE | 01-Jul-18 | Net Increments (Decrements) | Transfers | 30-Jun-19 |
|--|-----------|--------------------------------|-----------|------------|
| | Notes | \$ | \$ | \$ |
| Land | | 3,743,237 | - | 3,743,237 |
| Buildings & Other Structures | | 7,907,528 | - | 7,907,528 |
| Infrastructure | | 11,576,332 | - | 11,576,332 |
| Total Asset Revaluation Reserve | | 23,227,097 | - | 23,227,097 |
| Comparatives | | 23,227,097 | | 23,227,097 |

| OTHER RESERVES | 01-Jul-18 | Transfers to Reserve | Transfers from Reserve | 30-Jun-19 |
|------------------------------------|-----------|-------------------------|---------------------------|-----------|
| E M M Kay | 30,719 | - | | 30,719 |
| Recycled Metals Charitable Reserve | 52,131 | 33,484 | - | 85,615 |
| Total Other Reserves | 82,850 | 33,484 | | 116,334 |
| Comparatives | 30,769 | - | - | 82,850 |

PURPOSES OF RESERVES

Asset Revaluation Reserve

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

E M M Kay Reserve

A reserve has been recognised for a bequest received from the estate of a deceased interred at the Park to maintain the site. The Board has resolved that the expenses incurred on an annual basis maintaining the site will be charged against the reserve. Interest accrued from the reserve will be absorbed in general operating revenue to offset the administration of the same. During Financial Year 2015/16 the interment right for E M M Kay was converted to perpetuity and costs offset against the reserve.

Recycled Metals Charitable Reserve

Funds received from the recycling of metal plaques have been directed to a reserve to be used for philanthropic and charitable purposes.

Contributed Equity Reserve

Equity contributed from City of Mitcham and City of Unley.

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 10 - RECONCILIATION TO CASH FLOW STATEMENT

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|------------------|------------------|
| (a) Reconciliation of Cash | | | |
| Total cash & equivalent assets | 5 | 9,713,151 | 9,796,520 |
| Balances per Cash Flow Statement | | 9,713,151 | 9,796,520 |
| (b) Reconciliation of Change in Net Assets to Cash from Operating Activities | | | |
| Net Surplus (Deficit) | | 204,114 | 164,035 |
| Non-cash items in Income Statement | | | |
| Depreciation, amortisation & impairment | 3 | 1,594,475 | 1,490,169 |
| Net increase (decrease) in unpaid employee benefits | | (88,958) | 101,148 |
| Net (Gain) Loss on Disposals | 4 | 231 | (47,130) |
| | | 1,709,862 | 1,708,222 |
| Add (Less): Changes in Net Current Assets | | | |
| Net (increase) decrease in receivables | | 27,393 | (173,836) |
| Net (increase) decrease in inventories | | 39,246 | (198,933) |
| Net (increase) decrease in other current assets | | (48,760) | 21,590 |
| Net increase (decrease) in trade & other payables | | 223,424 | 154,167 |
| Net increase (decrease) in other provisions | | (254,587) | 570,477 |
| Net increase (decrease) in other liabilities | | 33,488 | 53,480 |
| Net Cash provided by (or used in) operations | | 1,730,065 | 2,135,167 |
| (c) Financing Arrangements | | | |
| Unrestricted access was available at balance date to the following lines of credit: | | | |
| Bank Overdrafts | | 50,000 | 50,000 |
| Corporate Credit Cards | | 30,000 | 30,000 |

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

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 11 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

| | |
|--|---|
| Bank, Deposits at Call, Short Term Deposits | <p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates at an average interest rate of 1.90% (2018: 2.34%). Short term deposits are held either in LGFA or NAB at call and term deposit accounts.</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p> |
| Receivables - Fees & other charges | <p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest.</p> <p>Carrying amount: Approximates fair value (after deduction of any allowance).</p> |
| Liabilities - Creditors and Accruals | <p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: Approximates fair value.</p> |

| 2019 | Floating Interest Rate | Due < 1 year | Due > 1 year ≤ 5 years | Due > 5 years | Total Contractual Cash Flows | Carrying Values |
|--|------------------------|------------------|------------------------|---------------|------------------------------|-------------------|
| Financial Assets | \$ | \$ | \$ | \$ | \$ | \$ |
| Cash Assets | 1,113,151 | 8,600,000 | - | - | 9,713,151 | 9,713,151 |
| Receivables | 652,701 | - | - | - | 652,701 | 652,701 |
| Total | 1,765,851 | 8,600,000 | - | - | 10,365,851 | 10,365,851 |
| Financial Liabilities | | | | | | |
| Payables | - | - | - | - | 1,920,705 | 1,920,705 |
| Total | - | - | - | - | 1,920,705 | 1,920,705 |
| EXCESS OF FINANCIAL ASSETS OVER LIABILITIES | 1,765,851 | 8,600,000 | - | - | 8,445,146 | 8,445,146 |

| 2018 | Floating Interest Rate | Due < 1 year | Due > 1 year ≤ 5 years | Due > 5 years | Total Contractual Cash Flows | Carrying Values |
|--|------------------------|------------------|------------------------|---------------|------------------------------|-------------------|
| Financial Assets | \$ | \$ | \$ | \$ | \$ | \$ |
| Cash Assets | 1,296,520 | 8,500,000 | - | - | 9,796,520 | 9,796,520 |
| Receivables | 680,094 | - | - | - | 680,094 | 680,094 |
| Total | 1,976,614 | 8,500,000 | - | - | 10,476,614 | 10,476,614 |
| Financial Liabilities | | | | | | |
| Payables | - | - | - | - | 1,475,107 | 1,475,107 |
| Current Borrowings | - | - | - | - | - | - |
| Total | - | - | - | - | 1,475,107 | 1,475,107 |
| EXCESS OF FINANCIAL ASSETS OVER LIABILITIES | 1,976,614 | 8,500,000 | - | - | 9,001,507 | 9,001,507 |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 11 - FINANCIAL INSTRUMENTS

Net Fair Value

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

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted.

The maximum credit risk on financial assets of the Authority is the carrying amount, net of any allowance for doubtful debts. There are Authority investments made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments - both assets and liabilities are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority incomes or expenditures.

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 12 - COMMITMENTS FOR EXPENDITURE

Capital Commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

| | | |
|--|----------------|----------------|
| Buildings & Other Structures | 6,900 | 498,720 |
| Infrastructure | 21,453 | 232,100 |
| Plant & Equipment | 699,226 | 58,866 |
| | 727,579 | 789,686 |
| These expenditures are payable: | | |
| Not later than one year | 727,579 | 789,686 |
| Later than one year and not later than 5 years | - | - |
| Later than 5 years | - | - |
| | 727,579 | 789,686 |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 13 - FINANCIAL INDICATORS

| | Amounts | Indicator | Prior Periods | |
|--|---------|-----------|---------------|------|
| | 2019 | 2019 | 2018 | 2017 |

The following indicators have been calculated in accordance with the procedures set out in *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

Operating Surplus Ratio

| | | | | |
|--------------------------------|-------------------|--------------|--------------|--------------|
| Operating Surplus | 204,114 | 1.86% | 1.56% | 2.59% |
| Total Operating Revenue | 10,972,790 | | | |

This ratio expresses the operating surplus as a percentage of total operating revenue.

Net Financial Liabilities Ratio

| | | | | |
|----------------------------------|-------------------|---------------|---------------|---------------|
| Net Financial Liabilities | 6,768,247 | 61.68% | 65.09% | 51.91% |
| Total Operating Revenue | 10,972,790 | | | |

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

Asset Renewal Funding Ratio

| | | | | |
|--------------------------------------|------------------|---------------|----------------|---------------|
| Net Asset Renewals | 1,453,878 | 91.18% | 105.40% | 51.84% |
| Depreciation and amortisation | 1,594,475 | | | |

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 14 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a uniform and consistent basis.

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

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

The Authority has provided this information for the purpose of consolidation by the two constituent Councils.

| | 2019 \$ | 2018 \$ |
|---|------------------|--------------------|
| Income | 10,972,790 | 10,487,847 |
| less Expenses | (10,768,446) | (10,370,942) |
| Operating Surplus / (Deficit) | 204,345 | 116,905 |
| less Net Outlays on Existing Assets | | |
| Capital Expenditure on Renewal and Replacement of Existing Assets | (1,530,949) | (2,555,834) |
| add Depreciation, Amortisation and Impairment | 1,594,475 | 1,490,169 |
| add Proceeds from Sale of Replaced Assets | 77,071 | 98,499 |
| | 140,597 | (967,166) |
| less Net Outlays on New and Upgraded Assets | | |
| Capital Expenditure on New and Upgraded Assets | (359,556) | (518,874) |
| | (359,556) | (518,874) |
| Net Lending / (Borrowing) for Financial Year | (14,614) | (1,369,135) |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 15 - OPERATING LEASES

| | 2019 \$ | 2018 \$ |
|---|----------------|------------|
| Lease payment commitments of the Authority | | |
| The Authority has entered into non-cancellable operating leases for various items of computer equipment. | | |
| No lease imposes any additional restrictions on the Authority in relation to additional debt or further leasing. | | |
| Leases in relation to computer and office equipment permit the Authority, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased. | | |
| No lease contains any escalation clause. | | |
| Commitment under non-cancellable operating leases that have not been recognised in the financial statements are as follows: | | |
| Not later than one year | 58,195 | - |
| Later than one year and not later than 5 years | 169,585 | - |
| Later than 5 years | - | - |
| Total | <u>227,780</u> | <u>-</u> |

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 16 - SUPERANNUATION

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2018/19; 9.50% in 2017/18). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2017/18) of "superannuation" salary.

In addition, the Authority makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), the Authority does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

The Authority also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Authority.

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 17 - CONTINGENCIES & ASSETS/LIABILITIES NOT RECOGNISED IN BALANCE SHEET

The following assets and liabilities do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to user of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. CONTINGENT LIABILITY

The Authority has contingent liabilities with respect to the redemption of unused interment rights. The Burial and Cremation Act 2013 mandates the refund of unexercised interment rights at current prices less a provision for administration, maintenance and establishment costs; the calculation is determined in the regulations. The contingent liability as at the 30th June 2019 is \$11,973,510. An actual liability will only arise if a claim is made by existing interment right holders in the future. It is considered that the likelihood of future claims arising which could have a significant impact on Centennial Park is remote.

Total unused interment rights account for approximately 6.89% of 47,439 burial interment rights currently issued.

Total unused interment rights account for approximately 7.94% of 39,369 memorial interment rights currently issued.

Once an interment or placement of a monument has occurred an interment right cannot be redeemed.

2. BANK OVERDRAFT

The Authority has a bank overdraft facility of \$50,000

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 18 - RELATED PARTY TRANSACTIONS

Transactions with Key Management Personnel

The Key Management Personnel of the Authority includes the Board, CEO and senior managers. In all, 17 persons were paid the following total compensation.

| | 2019 | 2018 |
|--|---------|---------|
| | \$ | \$ |
| Salaries, allowances & other short term benefits | 714,615 | 706,716 |

Amounts paid as direct reimbursement of expenses incurred on behalf of the Authority have not been included above.

No key management personnel or parties related to them had any transactions during the year on terms more favourable than those available to the general public.

Transactions with Council Entities

The Authority's Constituent Councils are:

- The City of Mitcham
- The City of Unley

Councils have influence on the financial and strategic operational decisions of the Authority given their equal Board member representation.

No one Member Council individually has control over these decisions.

During the year Liability Guarantee payments were made to the two Constituent Councils to the total value of \$626,000 (2017/18 \$616,047).

CENTENNIAL PARK CEMETERY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 19 - FUTURE COMMITMENTS

An arrangement is available to the public whereby any service currently offered by the Authority is capable of being prepaid.

Some funds were paid to Funeral Plan Management Pty Ltd with income to the Authority being recorded only when the service has been provided. Funds under management by Funeral Plan Management Pty Ltd at 30 June 2019 total \$724,384 (2018 \$756,620). From 1st December 2014 pre-paid products were no longer paid to Funeral Plan Management Pty Ltd.

Note 20 - SEGMENT REPORTING

The Authority operates in one business and geographical segment being burials, cremations and memorials within South Australia.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE CENTENNIAL PARK CEMETERY AUTHORITY****Opinion**

We have audited the financial report of the Centennial Park Cemetery Authority (the Authority), which comprises the Statement of Financial Position as at 30 June 2019, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of Centennial Park Cemetery Authority as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards (including Australian Accounting Interpretations).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information other than the Financial Report and Auditor's Report Thereon

The Authority is responsible for the other information. The other information comprises the information included in the Authority's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. The Authority's responsibility includes establishing and maintaining internal control relevant to preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS



SAMANTHA CRETEN
PARTNER

Signed on the 9th day of September 2019,
at 214 Melbourne Street, North Adelaide

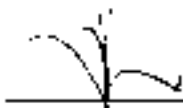
CENTENNIAL PARK CEMETERY AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Centennial Park Cemetery Authority for the year ended 30 June 2019, the Authority's Auditor, Dean Newbery & Partners, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



Janet Miller
CHIEF EXECUTIVE OFFICER

Amanda Heyworth
CHAIR OF THE AUDIT & RISK
MANAGEMENT COMMITTEE

Dated this 2nd day of August 2019

Auditor's Independence Declaration under Section 22 of the Local Government (Financial Management) Regulations 2011 to the Centennial Park Cemetery Authority

I confirm that, for the audit of the financial statements of the Centennial Park Cemetery Authority for the year ended 30 June 2019, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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




SAMANTHA CRETEN
PARTNER

Signed on the 9th day of September 2019,
at 214 Melbourne Street, North Adelaide, South Australia 5006





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