







# Contents

From the Chair .....	4-5
From the CEO .....	6-7
Our Key Stakeholders .....	8
At a Glance .....	9
Operating Environment .....	10-12
Progress on Strategic Priorities .....	13-21
The Board .....	22-23
Financial Performance.....	24
Annual Accounts.....	26-63

## From the Chair

On behalf of the Centennial Park Board, I am pleased to present the 2019/20 Annual Report. I consider it a great privilege to continue to serve as the Chair of the Centennial Park Board for another year.

The tail end of this financial year has certainly brought challenges, but we were still able to celebrate many achievements throughout the year. This year Centennial Park recorded a deficit of \$451K, significantly better than the budget, and after distributing a liability guarantee fee of \$636K to our owner councils. A deficit was budgeted in anticipation of the introduction of new accounting standards that require a significant portion of the income received from Interment Rights to be deferred and brought to account over the entire period of the Interment Right. A commitment to sound financial discipline ensured that Centennial Park delivered a better result than budgeted, despite the impacts of the COVID-19 pandemic.

Centennial Park is an important place for our community and those with loved ones resting here. It is not just a place of mourning. It is a place that connects people through beautiful gardens, services, events and stories. The leadership team at Centennial Park continue their work to future-proof the Park to ensure it meets the needs of our families and the broader community.



**Geoff Vogt**  
– Chair

This year, we made excellent progress on the development of an appropriately scaled café, function, and retail facility. We were pleased to appoint an architect, builder and operator, all South Australian businesses. With work underway, this project will be the first facility of its kind in a South Australian cemetery.

To strengthen our governance framework, we worked with our owner councils to review the Centennial Park Cemetery Authority Charter that outlines the functions and powers of the Authority. In the upcoming year, we will begin developing a new Strategic Plan to set our path and objectives for the next five years.

Throughout the year, \$466k was invested in replacing the footings that support headstones within the burial sections of the Park. This is important work to preserve the memory of those resting here and to maintain the high standards of our Park. This project will continue throughout the next financial year and beyond.

It is with pleasure and gratitude that I extend a sincere thank you to our CEO Janet Miller, and her dedicated team, for their diligence and resilience throughout the year. They continue to deliver on our strategic objectives while remaining committed to our values of compassion, inclusion, excellence and innovation. Janet's conscientious leadership ensures that Centennial Park continues to operate commercially whilst engaging with all aspects of the community. In particular, the way she proactively managed the risks brought by the COVID-19 pandemic was exemplary. Her approach maximised assurance that the Park will continue to operate, regardless of the circumstances, in what might have and might still, based on experience elsewhere in the world, become a very much in demand essential service.

I am proud to share our progress towards our strategic priorities in this report and look forward to another year working with Janet, the Board and the whole Centennial Park team.



## From the CEO

I want to begin by extending a heartfelt thank you to the entire Centennial Park team and the Board for their hard work and resilience throughout the year. Everyone's ongoing commitment to our values of compassion, inclusion, excellence and innovation meant that we were able to remain focused and continue to meet the needs of families and the community. The impact of COVID-19 is fresh in our minds and continues to impact our lives. However, I would like to take a moment to reflect on and celebrate, the milestones we achieved throughout the year. As part of our focus on inclusive community engagement, we hosted many beautiful and memorable events. Some of my highlights included:

- The self-guided sculptural walk in our gardens for the SALA festival.
- The commemorative service Remembrance Day including a flyover by four F/A-18 Hornets.
- Unveiling our 'Poppies' sculpture in Derrick Gardens, pictured on the cover of this report, dedicated to War Service personnel resting here at Centennial Park.
- All Souls Day memorial service which was conducted in both English and Italian and included a live radio telecast to the Italian community by Radio Italiana.



**Janet Miller**  
– CEO

During the year we made several improvements to our grounds and facilities. In the Jubilee Complex, new carpets were laid and bench seating in the Heysen chapel was re-upholstered. In our memorial gardens, we refurbished the signature water feature in the Tuscan Garden, improving the appearance significantly. We invested significantly in the replacement of headstone footings, and work started on our long-awaited café and function centre development.

In March 2020, the COVID-19 pandemic began to impact our services. It is always incredibly difficult to farewell a loved one, and the restrictions implemented by the State Government in response to the pandemic caused additional anguish for already grieving families. I am thankful for the compassion and dedication of our team; in helping families say goodbye and ensuring that every unique life is acknowledged and remembered – even in a pandemic.

The restrictions on attendances at funerals meant fewer services were hosted by Centennial Park. Hospitality restrictions meant we could not offer catering in our lounges after a service. This is often a time for families and friends to connect and reminisce, and we know this custom has been missed. We also saw a reduction in cremation numbers at this time. Without the preceding service being held at Centennial Park, we saw some move away from the premium service we offer for cremations at Centennial Park.

We continue to set ourselves apart through the quality of our services and facilities. Every person who comes into our care is treated with sensitivity and respect at every step. We believe transparency is important, in both what we do and the prices we charge, and we hope to resume behind the scenes tours of our facilities as soon as the COVID-19 restrictions are eased sufficiently.

On a final note, I would like to say that in times of adversity there is no other team I would want to have by my side than the team here at Centennial Park. I thank each and every one of you for your contribution to the very important work we do here.

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



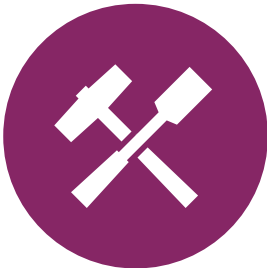
Suppliers



Employees



Local residents



Monumental masons



Cultural, religious and special interest groups



Local government



Community groups



## AT A GLANCE

# 455,000+

## PARK VISITORS 2019/20



**54**  
EMPLOYEES



**1,523**  
MEMORIAL  
APPOINTMENTS



**161**  
VARIETIES &  
7,800 ROSES



**1,500**  
SQUARE METRES  
OF LAWN



**1,060** FUNERAL  
SERVICES



**1,200**  
TREES PLANTED



**10**  
COMMUNITY  
EVENTS  
**1,297**  
ATTENDEES

**40** HECTARES  
OF GARDENS  
MAINTAINED



**748**   
BURIALS

**3,291**   
CREMATIONS



**154**  
JOINED A  
BEHIND THE  
SCENES TOUR

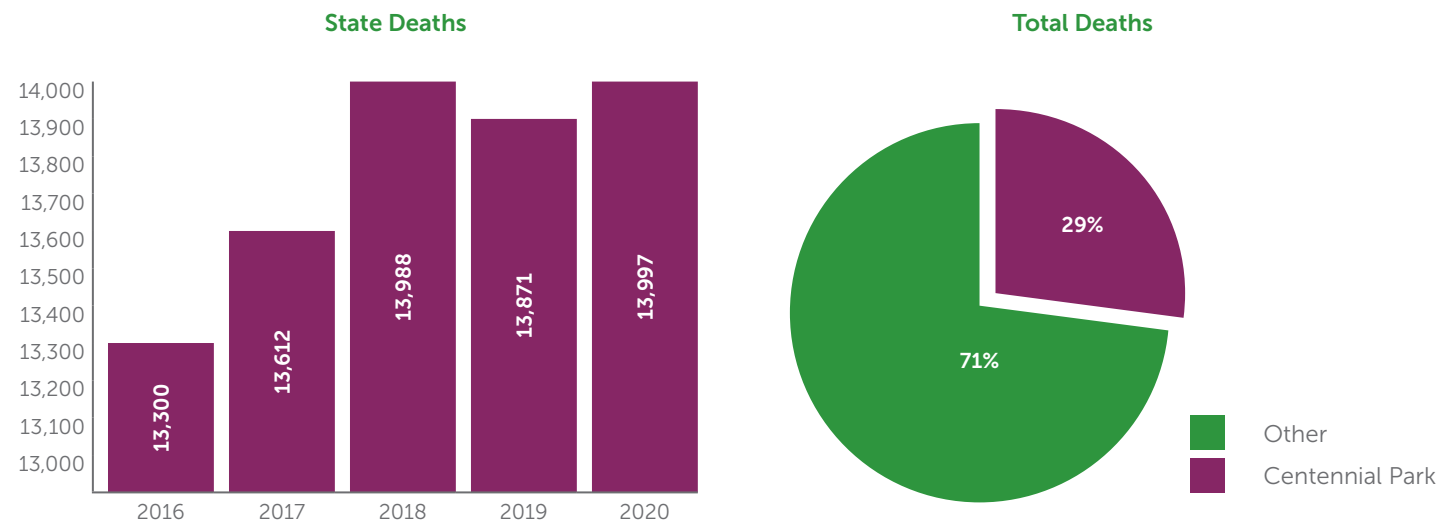


# Operating Environment

Our core purpose is to provide cremation, burial, memorialisation and funeral services with compassion, sensitivity and transparency. Over the last year, we served the needs of the families of almost one-third of all deaths in South Australia.

## State deaths

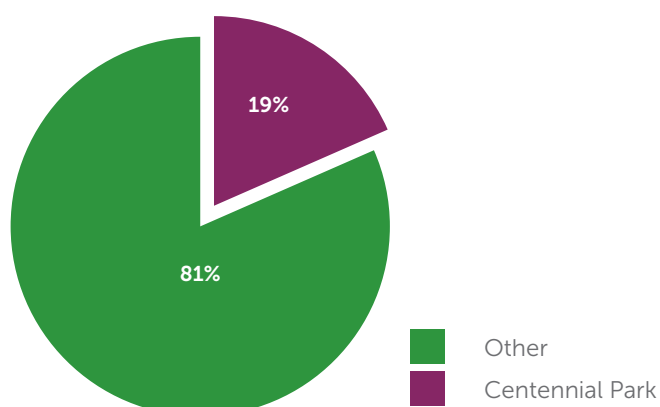
Centennial Park provided burial or cremation services for 29% of all recorded deaths in South Australia over the last financial year.



## Burials

This year, there were 748 burials at Centennial Park, representing 19% of all state burials and 39% of all metropolitan burials. This is an increase of 9.4% from the previous period, indicating that we continue to meet the expectations of the community with our services and facilities.

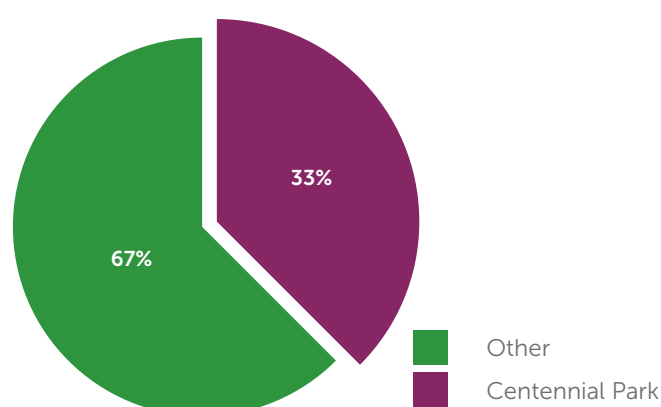
State Burials



## Cremations

We conducted 3,291 cremations at Centennial Park during 2019/20, representing 33% of all cremations in South Australia. This is a 6% reduction on the previous year, which we consider a sound result despite the impacts of COVID-19 restrictions on our operations.

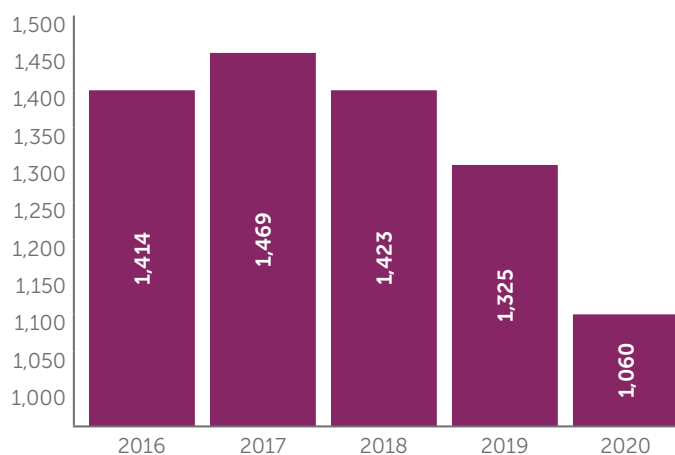
State Cremations



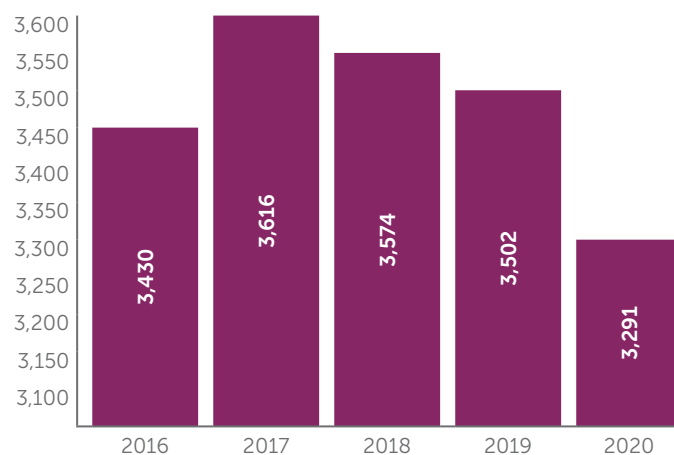
## Funeral & memorial services

We hosted 1,060 funeral and memorial services this year. This was less than the previous period due to the COVID-19 restrictions imposed from March until June which impacted the number of people allowed to attend a funeral service.

Chapel Services



Cremations





## COVID-19 PANDEMIC IMPACT & RESPONSE

In addition to focusing on the strategic priorities this year, we had to adapt our operations as a result of the COVID-19 pandemic.

Coping with grief and loss in a time of physical distancing is particularly challenging, and it was important that we were able to continue to support those who needed us. In responding to the risk of the pandemic, our priorities were the health and wellbeing of our team, families and visitors, and preserving our ability to provide our essential services to families in their time of need.

We followed the advice of State and Federal Governments, and continue to do so while the threat of a second wave remains a possibility. The most notable impacts on our usual operations were:

- Limits on funeral attendances were changed regularly, often at short notice, requiring us to act quickly in changing seating plans and reassessing room capacities in our Jubilee Complex, and in communicating changes to our funeral directors and families.
- The restrictions on funeral, memorial and catered lounge services had a flow on effect on our cremations with some families opting for a low-cost cremation service elsewhere.
- Catered lounge services ceased in March 2020 and have not yet been able to resume.
- Tours and events were suspended.
- Backup teams were established in all our key service areas to ensure we could continue to care for the needs of our community should any of our team members need to self-isolate. These backup teams were moved to different locations within the Park to mitigate the risk of spread of infection.
- Work from home arrangements were put in place where appropriate.

We look forward to resuming normal services as soon as it is safe to do so.

### Supporting our families during COVID-19

Our team showed resilience, adaptability and innovation during this time and we introduced some new ways to support our families.

- By partnering with a local florist, we now offer a flower placement service for those who cannot visit the Park. Families and friends can order their flower arrangement online, and our team will place them at the memorial and provide a photo. This was introduced just in time for Mothers Day and was so well received by our community that we continue to offer it.
- We introduced a live-streaming capability for funeral services so that those who cannot attend can see and hear the service from home.
- We reduced the prices of our chapels so that families could use larger spaces and maximise the number of people who could attend funeral services, without incurring a higher cost whilst still complying with restrictions to gathering sizes.
- For those experiencing financial hardship, we introduced flexible payment options for renewals, memorial fees and laybys, as well as providing refunds without the usual administration fees.



## Progress on Strategic Priorities

During the year we continued to invest in our assets, technology and people to deliver on our Strategic Plan 2017 – 2022.

The Strategic Plan values our history and tradition while providing a clear direction to move the Park forward so that it can continue to thrive for the community it serves. The plan focuses on four clear strategic priorities:

- Maximise our existing assets.
- Improve communication and engagement with our community.
- Grow through innovation.
- Strengthen organisational capacity.

This Annual Report summarises our progress on the four strategic priorities during the year.

# Progress on Strategic Priorities

## PRIORITY 1: MAXIMISE OUR EXISTING ASSETS

### Upgrades in the Jubilee Complex

While we were unable to hold funeral services in some areas of the Jubilee Complex due to COVID-19 restrictions, we took the opportunity to undertake several improvements throughout the building.

All three chapels have had new carpet installed, and the pew seating in the Heysen Chapel was reupholstered, creating a fresh, modern look and feel. We have also upgraded audio-visual facilities throughout the building.

### Beam replacements

During the year we continued with the cemetery beam replacement program, which involves replacing the old concrete foundations on which headstones are placed. We replaced 12 beams in our Catholic F section in FY2020 and will continue this beam replacement program in FY2021.

### New sculptural artwork

In the lead up to Anzac Day and in dedication to the service personnel resting at Centennial Park, we revealed the 'Poppies' sculpture' within Derrick Gardens, facing the Cross of Remembrance. This impressive piece by Everlon, depicts three poppies standing tall as well as a fallen one. 'Poppies' is a stunning and important addition to our existing collection of sculptures.







### **Landscaping & beautifying our gardens**

We are continually working to keep our grounds looking beautiful. This year we have completed several projects including:

- Refurbishing the pond in the Tuscan Garden. The original paint has been removed and replaced with tiles and a new structure to house pumps and filters has been installed. The pond is the central feature in this formally landscaped garden and this refurbishment has improved the appearance of the entire area.
- Continuing to maintain the 7,800 roses across our gardens. As part of our maintenance program, 600 roses were replaced with new varieties due to age and poor health.
- The completion of a tree maintenance report was completed for the long-term maintenance of the 300 significant and regulated trees located across the Park. This maintenance report outlines how we can maintain these important trees to ensure their ongoing health and longevity.
- Installation of nine new bench seats in key locations across the cemetery grounds to provide visitors with the opportunity to sit, rest and reflect while visiting the park. Additional seats will be installed in FY2021.
- Improving the appearance of our memorial walls and gardens by installing 4000 niche cover plates on vacant positions.

# Progress on Strategic Priorities

## PRIORITY 2: IMPROVE COMMUNICATION AND ENGAGEMENT WITH OUR COMMUNITY

Building a strong connection with the community continues to be a focus for us. Through hosting events and celebrations that embrace life, art, culture, horticulture, music and much more, we are encouraging a sense of connection to Centennial Park. Below are just some of the highlights from the year.

### Events

Our dedicated program of events provides opportunities for the community to enjoy our beautiful park and celebrate life. We held over ten events in the year including:

- **Fathers Day**  
This year we had live music and free coffee in the Park. There were five musicians scattered throughout the grounds including acclaimed harpist and soprano, Emma Horwood. Her rendition of Ave Maria was a highlight for visitors enjoying free coffee on the lawns outside the Jubilee Complex.
- **Pregnancy & Infant Loss Tribute**  
Celebrant and end-of-life companion, Michelle Jewells-Parson, led a touching service followed by a release of bubbles on the lawns outside the Jubilee Complex in memory of loved ones lost too soon.
- **Remembrance Day**  
The annual flag-laying ceremony was performed by Walford Anglican School for Girls this year. The service began with a catafalque party of cadets from all three armed forces and Re-enact SA, led by the mounted Barossa Light Horse Division. They were accompanied by the Scotch College Pipes and Drums Band and the Walford Girls' Choir. This year's event was made extra special by a flyover of four classic F/A-18 Hornets.

### Art in the Park

Our stunning gardens and facilities provide an ideal space in which to showcase the works of local artists.

For the month of August, we were proud to host the SALA in the Park sculptural walk in our gardens once again. The public were invited to contemplate life and art in our gardens while taking a self-guided walk throughout the grounds to view a collection of eighteen sculptures, including our permanent sculptures and others temporarily placed as part of our partnership with SALA.

The foyer of the Jubilee Complex played host to two art exhibitions this year. The Three Generations exhibition featured paintings from three generations of a family of artists including renowned artist, Allyson Parsons, her mother Marie Parsons, and son, Henry Cockington. To herald the arrival of Spring, the Mitcham Felters held their New Life exhibition in the foyer during September and October.



### Perpetual garden calendar

We were immensely proud to launch a perpetual garden calendar this year. The calendar provides month-by-month gardening tips accompanied by photos from our gardens. Our horticultural staff collaborated with celebrity horticulturist, Michael Keelan to produce this beautiful souvenir that we provide as a useful keepsake to tour participants.

### Embracing Life program

We are now in the second year of our wellness program, Embracing Life. We have received keen community interest and positive feedback on the events and activities offered through this initiative. The yoga sessions, delivered in partnership with Yogita Yoga, continue to be very popular. This year we offered a Succulent Wreathmaking Workshop hosted by The Succulent Workshop. This was our first paid event, and it sold out within days.

### Tours

Our personalised Garden and History Tours for community groups continue to be successful, generating very positive feedback. This year we hosted several groups, including the Carrick Hill Volunteer Group, Flinders University of the Third Age and Marion Council Community Bus group.

Our Behind the Scenes Tours, available to the general public on weekends, continued to be well attended until they were suspended due to the COVID-19 restrictions. We look forward to resuming these tours as soon as it is safe to do so.

### Media & public relations

Our proactive and reactive approach to media opportunities enables us to spread our message far and wide. This year we had over 25 features and mentions in the South Australian media including television, radio and print.

Highlights included:

- The unveiling of the Poppies sculpture and tips from Janet Miller on observing Anzac Day during COVID-19 restrictions were featured in the Adelaide Advertiser and on Channel 7 News.
- Janet Miller and Judy Inkster (from our gardens team) were interviewed on Five AA radio by Michael Keelan to promote the Centennial Park Perpetual Garden Calendar.
- Janet Miller was interviewed live by ABC Radio's David Bevan about our COVID-19 response and advice for funeral service attendance.
- Five AA Radio recorded an interview with Janet Miller on advice for funeral services during COVID-19 such as holding a smaller service now and a larger gathering later.



# Progress on Strategic Priorities

## PRIORITY 3: GROW THROUGH INNOVATION

### Environmental performance

As part of our commitment to responsible environmental practices, we have been reporting on our environmental performance annually for over ten years. Our most recent independent Greenhouse Gas audit was commissioned by Centennial Park and managed by Pangolin Associates to conduct a holistic assessment of the environmental impacts of our operations. The report includes assessments of our energy usage and emissions, water usage, tree planting and soil management. This year's key findings are outlined below:

#### Energy

- Overall emissions have reduced by 545 tonnes of CO<sub>2</sub>-e since the base year (FY2008). A decrease of 37.1%, based on an annual like-for-like net comparison.
- In 2019, a new Facultatieve Technologies cremator was installed which has reduced our gas consumption and emissions.

### Water management

- In 2012, we installed a 214,000 litre stormwater tank. Since then, more than 16,000kL of stormwater has been recycled and used for irrigating the grounds.
- The development of garden beds and pathways in the memorial gardens has reduced the total area of grass, which in turn, reduces our water consumption.
- Trees pruned on our grounds are turned into mulch which is used on garden beds to reduce water usage.
- Water retention crystals are used in all new plantings.
- This year we purchased a Smart Meter, soil temperature probes and moisture sensors to monitor our water usage.

### Tree planting

- We have been a member of Trees for Life since mid 1990's. Each year 1,200 native trees and shrubs are planted to maintain boundary vegetation providing habitat for wildlife and a natural screen.

### Soil management

- The amount of soil removed from the site due to burial operations has reduced from approx. 3,000 tonne per year prior to 2009 to less than 100 tonne this year. We have been reusing the excess soil onsite for the beam replacement program.



### **South Australia's first café facility within a cemetery**

We are proud to be leading the way with South Australia's first café and function facility within a cemetery, with construction well underway. This project is a purely South Australian collaboration between Centennial Park, Studio S2 Architects, Chappell Builders and Blanco Horner Hospitality Management. It will create more than fifteen full-time jobs during construction and a further ten full-time jobs upon completion to operate the café and function spaces.

It will provide a comfortable space for families and friends to gather, share stories and remember loved ones after funeral or memorial services in the Jubilee Complex. We also anticipate that the community will utilise it as a peaceful place to enjoy a coffee in a beautiful and unique setting.

### **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, continues to help us to maintain our grounds. Bedford clients 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 continue to be an active member of Trees for Life including the planting of 1,200 native trees and shrubs along the boundary of the Park. 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

To meet the expectations of our customers and enable our staff to provide efficient service, we continue to invest in business technology. Through investment in fit-for-purpose technology, we are ensuring our data and systems are robust, enabling more efficient business operations, producing insightful reporting and providing a better user experience for staff and customers.

Over the past twelve months, we have focused on the following information technology initiatives:

- Commenced work on the replacement of our Cemetery Management System. This is a key strategic project to bring our core business system in line with current technologies. We will be migrating to a cloud-based system specially designed for cemetery management. We expect to finalise this project in 2021.
- Commissioned an external audit on cyber security. We implemented several measures and safeguards to align with best practice frameworks on cyber and data security. Along with our continuous improvement program, this will ensure the security of our systems and data in the long term.
- Successfully completed the migration to Office 365 for all staff. This has increased the security, availability and capacity of our business systems as well as creating a more agile and adaptable workforce that is not limited by technology constraints.

### People & culture

The health and wellbeing of our people is paramount to creating a positive, engaged and high performing culture. For this reason, we continue to invest in health and wellbeing initiatives to support our team.

This past year, we have continued with our skin cancer screening checks, mental health first aid training for leaders, and offered flu vaccinations for our employees. We also hosted an external speaker from the Zahra Foundation to provide information and advice around domestic violence in Australia. We continue to investigate additional ways to support mental and physical health in the workplace.

We recognise the very sensitive nature of our work and continue to provide support to our team in managing these aspects of our services. This year we have delivered workshops around resilience and positive thinking where participants identified strategies to build their resilience and positive connections, in an activity-based format.

We have also undertaken comprehensive ergonomic assessments for our team and our facilities. As a result, we developed a framework to assist in creating an environment where best practice ergonomics are the norm, and our team is empowered to maintain good ergonomic health.

Health and wellbeing will continue to be an ongoing focus for the organisation, particularly in light of the widespread wellbeing challenges resulting from the COVID-19 pandemic.

We review our resourcing and professional development needs on an ongoing basis to develop robust organisational structures that support and enhance our service offerings, along with the customer experience.





## Workplace health & safety

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

We continue to develop and implement an annual Work Health Safety and Injury Management Action Plan in consultation with the LGAWCS to assist us in continuing to improve our WHS management system.

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

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

Indicator	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Number of injuries resulting in lost time at work	0	0	0	1	0
Lost days due to injury	0	0	0	2	0
Number of accidents/incidents reported	44	46	36	34	35
Number of hazards reported	12	9	7	4	8

# The Board

The Centennial Park Cemetery Authority is governed by a Board comprised of seven members – two members from each of the constituent councils and three independent members.

Each member makes a unique contribution and we value the diversity of their knowledge and experience in local government and commercial enterprise.

This year was the first full year for the current board, and they have shown great professionalism, high levels of accountability and transparency. There have been robust discussions that have resulted in sound decision making and a clear strategic direction.

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.

## 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)





### Board/ Committee Member Meeting Attendance

Board /Committee Member	Committee	No. of Meetings Held During Term of Office	No. of Meetings Attended
A Heyworth (Chair)	Audit & Risk Management	4	4
A Kay	Audit & Risk Management	4	4
G Vogt	People & Culture	2	2
A Kay	People & Culture	2	2
A Heyworth	Café Development	2	1
M Rabbitt	Café Development	2	2
A Kay	Café Development	2	2

### Board Member Meeting Attendance

Board Member	No. of Meetings Held During Term of Office	No. of Meetings Attended
G Vogt (Chair)	9	9
A Kay	9	8
A Heyworth	9	9
J Russo	9	9
M Rabbitt	9	9
K Hockley	9	8
D Munro	9	8



# Financial Performance

We achieved an operating deficit of \$451K which was a result of the introduction of the new accounting standard AASB 16 - Leases. This standard requires us to defer a portion of Interment Right revenue and the first time adoption of this standard has resulted in the deferral of \$814K in revenue this year.

The Liability Guarantee Fee paid to the owner Councils was \$636K in total, which is 1.6% more than last year. Discounting the Liability Guarantee Fee, the result for the year was a Surplus of \$185K, representing a 2% return on revenue.

Our revenue was further impacted by the COVID-19 pandemic restrictions which affected chapel and cremation services. However, a strong focus on financial discipline has resulted in a better outcome than budgeted.

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



# ANNUAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2020

**To be the pre-eminent end-of-life resting place: a place that connects people through a rich tapestry of beautiful gardens, services, events and histories.**

**Centennial Park Cemetery Authority**

760 Goodwood Road, Pasadena, South Australia 5042

Telephone: (08) 8276 6011

Email: [enquiry@centpark.org.au](mailto:enquiry@centpark.org.au)

Website: [www.centennialpark.org](http://www.centennialpark.org)



# CENTENNIAL PARK CEMETERY AUTHORITY GENERAL PURPOSE FINANCIAL REPORTS

FOR THE YEAR ENDED 30 JUNE 2020

## TABLE OF CONTENTS

<b>1. The Authority Certificate</b> .....	28
<b>2. Primary Financial Statements</b> .....	29
- Statement of Comprehensive Income	
- Statement of Financial Position	
- Statement of Changes in Equity	
- Statement of Cash Flows	
<b>3. Notes to the Financial Statements</b> .....	34
<b>4. Independent Auditor's Report - Financial Statements</b> .....	60
<b>5. Certificates of Audit Independence</b> .....	62
- The Authority Certificate of Audit Independence	
- Audit Certificate of Audit Independence	

# CENTENNIAL PARK CEMETERY AUTHORITY

## GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### CERTIFICATION OF FINANCIAL STATEMENTS

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

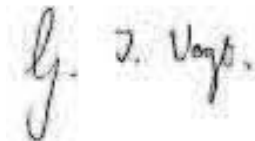
**In our opinion:**

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2020 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 Vogt  
CHAIRMAN

**Date: 2 / 09 / 2020**

# CENTENNIAL PARK CEMETERY AUTHORITY

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

\$	Notes	2020	2019
<b>Income</b>			
User Charges	2a	9,929,868	10,723,617
Investment Income	2b	165,957	249,173
<b>Total Income</b>		<b>10,095,825</b>	<b>10,972,790</b>
<b>Expenses</b>			
Employee Costs	3a	4,752,628	4,645,568
Materials, Contracts & Other Expenses	3b	4,102,047	4,528,403
Depreciation, Amortisation & Impairment	3c	1,691,996	1,594,475
<b>Total Expenses</b>		<b>10,546,672</b>	<b>10,768,446</b>
<b>Operating Surplus / (Deficit)</b>		<b>(450,846)</b>	<b>204,345</b>
Asset Disposal & Fair Value Adjustments	4	(794,415)	(231)
<b>Net Surplus / (Deficit) <sup>1</sup></b>		<b>(1,245,261)</b>	<b>204,114</b>
<b>Other Comprehensive Income</b>			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve	9a	(302,648)	-
<b>Total Other Comprehensive Income</b>		<b>(302,648)</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>(1,547,909)</b>	<b>204,114</b>

<sup>1</sup> Transferred to Statement of Changes in Equity

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 2020

\$	Notes	2020	2019
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5a	10,564,156	9,713,151
Trade & Other Receivables	5b	869,383	871,642
Inventories	5d	701,730	857,131
<b>Total Current Assets</b>		<b>12,135,269</b>	<b>11,441,924</b>
<b>Non-Current Assets</b>			
Infrastructure, Property, Plant & Equipment	7a	35,039,437	36,696,943
Other Non-Current Assets	6a	1,333,902	495,086
<b>Total Non-Current Assets</b>		<b>36,373,339</b>	<b>37,192,029</b>
<b>TOTAL ASSETS</b>		<b>48,508,608</b>	<b>48,633,953</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8a	2,453,758	2,147,375
Borrowings	8b	58,195	-
Provisions	8c	574,328	596,800
<b>Total Current Liabilities</b>		<b>3,086,282</b>	<b>2,744,175</b>
<b>Non-Current Liabilities</b>			
Borrowings	8b	111,390	-
Provisions	8c	12,950,198	14,608,865
<b>Total Non-Current Liabilities</b>		<b>13,061,588</b>	<b>14,608,865</b>
<b>TOTAL LIABILITIES</b>		<b>16,147,869</b>	<b>17,353,040</b>
<b>Net Assets</b>		<b>32,360,739</b>	<b>31,280,913</b>
<b>EQUITY</b>			
Contributed Equity		48,702	48,702
Accumulated Surplus		10,022,718	7,888,780
Asset Revaluation Reserves	9a	22,065,449	23,227,097
Other Reserves	9b	223,870	116,334
<b>Total Authority Equity</b>		<b>32,360,739</b>	<b>31,280,913</b>

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 2020

\$	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Contributed Equity	Total Equity
<b>2020</b>						
<b>Balance at the end of previous reporting period</b>		7,888,780	23,227,097	116,334	48,702	31,280,913
<b>Net Surplus / (Deficit) for Year</b>		(1,245,261)	-	-	-	(1,245,261)
Other Comprehensive Income						
- IPP&E Impairment (Expense)/Recoupments Offset to ARR	7a	-	(302,648)	-	-	(302,648)
- Transfer to Accumulated Surplus on Sale of I,PP&E	9a	859,000	(859,000)	-	-	-
- Reversal of Future Upkeep Provision	1.11	14,526,000	-	-	-	14,526,000
- Deferred IR Revenue		(12,005,801)	-	-	-	(12,005,801)
- E M M Kay	9b	-	-	(814)	-	(814)
- Recycled Metals Charitable Reserve	9b	-	-	108,350	-	108,350
<b>Other Comprehensive Income</b>		3,379,199	(1,161,648)	107,536	-	2,325,087
<b>Total Comprehensive Income</b>		2,133,938	(1,161,648)	107,536	-	1,079,826
<b>Balance at the end of period</b>		10,022,718	22,065,449	223,870	48,702	32,360,739
<b>2019</b>						
<b>Balance at the end of previous reporting period</b>		7,684,666	23,227,097	82,850	48,702	31,043,315
<b>Net Surplus / (Deficit) for Year</b>		204,114	-	-	-	204,114
<b>Total Comprehensive Income</b>		204,114	-	-	-	204,114
Transfers between Reserves		-	-	33,484	-	33,484
<b>Balance at the end of period</b>		7,888,780	23,227,097	116,334	48,702	31,280,913

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 2020

\$	Notes	2020	2019
<b>Cash Flows from Operating Activities</b>			
<b><u>Receipts</u></b>			
Operating Receipts		10,845,537	10,702,250
Investment Receipts		165,957	249,173
<b><u>Payments</u></b>			
Operating Payments to Suppliers and Employees		(8,359,699)	(9,221,358)
<b>Net Cash provided by (or used in) Operating Activities</b>	11b	<b>2,651,794</b>	<b>1,730,065</b>
<b>Cash Flows from Investing Activities</b>			
<b><u>Receipts</u></b>			
Sale of Replaced Assets		15,947	77,071
<b><u>Payments</u></b>			
Expenditure on Renewal/Replacement of Assets		(1,189,033)	(1,530,949)
Expenditure on New/Upgraded Assets		(582,000)	(359,556)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(1,755,086)</b>	<b>(1,813,434)</b>
<b>Cash Flows from Financing Activities</b>			
<b><u>Payments</u></b>			
Repayment of Lease Liabilities		(45,704)	-
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(45,704)</b>	<b>-</b>
<b>Net Increase (Decrease) in Cash Held</b>		<b>851,005</b>	<b>(83,369)</b>
plus: <b>Cash &amp; Cash Equivalents at beginning of period</b>	11	<b>9,713,151</b>	<b>9,796,520</b>
<b>Cash &amp; Cash Equivalents at end of period</b>	11	<b>10,564,156</b>	<b>9,713,151</b>

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 2020

### CONTENTS OF THE NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

Note	Details	Page
<b>1</b>	Significant Accounting Policies	34
<b>2</b>	Income	40
<b>3</b>	Expenses	40
<b>4</b>	Asset Disposal & Fair Value Adjustments	42
	<b>Current Assets</b>	
<b>5a</b>	Cash & Cash Equivalent Assets	42
<b>5b</b>	Trade & Other Receivables	42
<b>5c</b>	Inventories	42
	<b>Non-Current Assets</b>	
<b>6a</b>	Financial Assets	42
	<b>Fixed Assets</b>	
<b>7a</b>	Infrastructure, Property, Plant & Equipment	43
<b>7b</b>	Valuation of Infrastructure, Property, Plant & Equipment	44
	<b>Liabilities</b>	
<b>8a</b>	Trade & Other Payables	46
<b>8b</b>	Borrowings	46
<b>8c</b>	Provisions	46
	<b>Reserves</b>	
<b>9a</b>	Asset Revaluation Reserve	47
<b>9b</b>	Other Reserves	47
<b>10</b>	Assets Subject to Restrictions	47
<b>11</b>	Reconciliation to Statement of Cashflows	48
<b>12</b>	Financial Instruments	49
<b>13</b>	Capital Expenditure and Investment Property Commitments	51
<b>14</b>	Financial Indicators	52
<b>15</b>	Uniform Presentation of Finances	54
<b>16</b>	Leases	55
<b>17</b>	Superannuation	56
<b>18</b>	Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet	57
<b>19</b>	Events After the Statement of Financial Position Date	57
<b>20</b>	Related Party Transactions	58
	<b>Additional Authority Disclosures</b>	
<b>21</b>	Future Commitments	59
<b>22</b>	Segment Reporting	59

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

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

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

##### 1.2 Critical Accounting Estimates

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

##### 1.3 Rounding

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

#### 2 The Local Government Reporting Entity

Centennial Park Cemetery Authority is incorporated under the South Australian *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 and chapel services and memorial garden facilities.

#### 3 Income Recognition

Revenue is recognised under *AASB 15 Revenue from Contracts with Customers* (AASB 15), *AASB 16 Leases* (AASB 16) or *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) when appropriate.

The Authority predominately generates revenue through the following streams:

- I. Burial, Cremation and Chapel services
- II. Burial and Memorial Interment rights

Each of the above goods and services delivered or to be delivered to the customers are considered separate performance obligations even though for some situations they may be governed by a single legal contract with the customer.

##### I. Burial, Cremation and Chapel Services

- **At-need** – Revenue is recognised when the service is performed, or the goods are supplied.
- **Prepaid funeral services** – The Authority enters into prepaid contracts to provide burial and cremation services in the future. Funds received are treated as unearned revenue as the payment has been received but the service has not yet been provided.

##### II. Burial and Memorial Interment rights

- **Interment Rights (Limited Tenure)** – Revenue from interment rights is apportioned between a right to inter, a right to erect a monument, and a right to ongoing maintenance of the site. The right to inter provides an immediate benefit and this portion of revenue is recognised at contract inception. The right to erect a monument and the right to garden maintenance provide an ongoing benefit and this portion of revenue is accounted for on a straight-line basis over the term of the right.
- **Interment Right Renewals (Limited Tenure)** – Revenue from interment right renewals is for

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

the ongoing maintenance of the site and is recognised as income on a straight-line basis over the average term of renewals that year.

- **Interment Rights (Perpetual)** – As a perpetual Interment Right has no end date revenue is recognised when control of the interment right passes to the customer. The customer gains control of the interment right at contract inception.

#### 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 three 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.

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 12.

#### 5 Inventories

Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

#### 6 Infrastructure, Property, Plant & Equipment

##### 6.1 Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the

Authority includes the cost of all materials used in construction and direct labour on the project.

##### 6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority for each type of asset. 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 of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

##### 6.4 Depreciation of Non-Current Assets

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

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

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

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

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

where the future economic benefits would be replaced if the Authority were deprived thereof, are not subject to impairment testing.

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

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

#### 7 Payables

##### 7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days 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.

Weighted avg. discount rate	0.98% (2019, 2.20%)
Weighted avg. settlement period	7 years (2019, 7 years)

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.

#### 8.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and the Authority's involvement with the schemes are reported in Note 17.

#### 9 Leases

##### Accounting policy applicable from 01 July 2019

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

##### 9.1 The Authority as a lessee

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### i.) Right-of-Use-Assets

The Authority recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the



# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Computers	3 to 5 years
-----------	--------------

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

#### ii.) Lease Liabilities

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

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

The Authority applies the short-term lease recognition exemption to any short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### 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.

#### 11 Future Upkeep Provision

The Future Upkeep Provision was established by the Authority to provide for the future maintenance of the Park. With the adoption of the new standard *AASB 16 Leases*, which also serves to provide for future maintenance of the Park, the policy has been rescinded and the provision reversed to Accumulated Surpluses at 1 July 2019.

**The movement in the Future Upkeep Provision is as follows:**

Provisions	\$'000
<b>Future Upkeep Provision</b>	
Opening Balance	14,526,000
Adjustment relating to change in accounting policy	(14,526,000)
Closing Balance	-

#### 12 Payments to Constituent Councils

A Liability Guarantee Fee of \$636,176 was paid to the Constituent Councils (2019 Liability Guarantee Fee \$626,000).

#### 13 Covid-19 Impact

The Covid-19 pandemic and resulting restrictions on funeral attendees impacted the Authority's revenue. Chapel Services and Cremations were the two key revenue streams that were impacted and we saw a steep decline in service numbers during this period. The gross impact to the Authority's revenue has been quantified at \$421K in lost revenue and the Net reduction to operating surplus has been quantified as \$287K.

#### 14 New and amended accounting standards and interpretations

In the current year, the Authority adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period.

The Authority has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### **Adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities**

The Authority applied AASB 15 and AASB 1058, for the first time from 1 July 2019. The standards affect the timing with which revenues, particularly special purpose grants, are recognised. Amounts received in relation to contracts with sufficiently specific performance obligations are only recognised as these obligations are fulfilled.

The Authority has determined that the adoption of these new standards has not impacted the timing of revenue recognition.

#### **Adoption of AASB 16 Leases (AASB 16)**

AASB 16 supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease and other related Interpretations. The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases and requires lessees to recognise most leases on the balance sheet under a single on-balance sheet model.

The Authority applied AASB 16 for the first time from 1 July 2019. The standard applies to the Authority as both a Lessor and a Lessee.

- **Lessor** – The Authority adopted AASB 16 using the modified retrospective method of adoption. Under this method, the standard has been applied retrospectively with the cumulative effect of initially applying the standard recognised as an adjustment to the opening balance of Accumulated Surplus as at 1 July 2019 and comparatives have not been restated.

The Authority recognises these leases on the balance sheet as Deferred Interment Right Revenue Liability and Revenue is recognised as outlined in Note 1 Revenue Recognition.

The adoption of this standard has resulted in \$814,014 of revenue received during the financial year being quarantined to the balance sheet as a Deferred Interment Right Revenue liability.

- **Lessee** - The Authority recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except

for short-term leases with lease terms that end within 12 months of the date of initial application and leases of low-value assets. The right-of-use assets for all leases were recognised based on the amount equal to the lease liabilities. No adjustments were needed for any previously recognised prepaid or accrued lease expenses as there were none. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

#### **Standards issued by the AASB not yet effective**

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2020.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements. The Authority is of the view that the standards are not expected to have a material impact upon the future financial statements.

#### **Effective for NFP annual reporting periods beginning on or after 1 January 2020**

- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2018-6 Amendments to Australia Accounting Standards – Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform

#### **Effective for NFP annual reporting periods beginning on or after 1 January 2021**

- AASB 17 Insurance Contracts

#### **Effective for NFP annual reporting periods beginning on or after 1 January 2022**

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

---

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10 and AASB 2017-5)

#### 15 Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

#### 16 Disclaimer

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

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 2. INCOME

\$	Notes	2020	2019
(a). User Charges			
Sundry		192,686	56,695
Cremation		1,553,235	1,592,279
Memorial		2,844,634	2,766,186
Burial		5,056,655	4,886,135
Chapel Fees		1,097,262	1,422,322
Deferred Interment Right Revenue	1.14	(814,014)	-
<b>Total User Charges</b>		<b>9,929,868</b>	<b>10,723,617</b>
(b). Investment Income			
Interest on Investments		-	
- Local Government Finance Authority		156,586	215,242
- Banks & Other		9,371	33,931
<b>Total Investment Income</b>		<b>165,957</b>	<b>249,173</b>

### NOTE 3. EXPENSES

(a). Employee Costs			
Salaries and Wages		3,954,718	3,848,433
Employee Leave Expense		348,788	343,175
Superannuation	17	370,863	371,874
Workers' Compensation Insurance		82,454	117,500
Less: Capitalised and Distributed Costs		(4,194)	(35,415)
<b>Total Operating Employee Costs</b>		<b>4,752,628</b>	<b>4,645,568</b>
Total Number of Employees (full time equivalent at end of reporting period)		51	53



# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 3. EXPENSES (continued)

\$	Notes	2020	2019
(b). Materials, Contracts and Other Expenses			
<b>(i) Prescribed Expenses</b>			
Auditor's Remuneration			
- Auditing the Financial Reports		14,564	18,603
<b>Subtotal - Prescribed Expenses</b>		<b>14,564</b>	<b>18,603</b>
<b>(ii) Other Materials, Contracts and Expenses</b>			
Contractors		435,242	477,762
Energy		253,114	281,332
Individually Significant Items		636,176	626,000
Maintenance		664,227	569,413
Legal Expenses		42,203	47,796
Parts, Accessories & Consumables		684,268	954,858
Professional Services		26,908	276,976
Insurance		119,699	119,253
Licences		124,183	113,983
Water		304,280	356,700
Sundry		797,183	685,728
<b>Subtotal - Other Material, Contracts &amp; Expenses</b>		<b>4,087,483</b>	<b>4,509,800</b>
<b>Total Materials, Contracts and Other Expenses</b>		<b>4,102,047</b>	<b>4,528,403</b>
<b>(iii) Individually significant items</b>			
Liability Guarantee Fee		636,176	626,000
(c). Depreciation, Amortisation and Impairment			
<b>(i) Depreciation and Amortisation</b>			
Buildings & Other Structures		363,656	298,161
Infrastructure		752,203	785,235
Right-of-Use Assets		51,949	-
Plant & Equipment		347,950	328,655
Motor Vehicle		175,026	182,241
<b>Subtotal</b>		<b>1,690,784</b>	<b>1,594,292</b>
<b>(ii) Amortisation</b>			
Trademarks		1,212	183
<b>Subtotal</b>		<b>1,212</b>	<b>183</b>
<b>Total Depreciation, Amortisation and Impairment</b>		<b>1,691,996</b>	<b>1,594,475</b>

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 4. ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

\$	Notes	2020	2019
Infrastructure, Property, Plant & Equipment			
(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		15,947	77,071
Less: Carrying Amount of Assets Sold		(97,210)	(77,302)
Gain (Loss) on Disposal		(81,263)	(231)
(ii) Assets Surplus to Requirements			
Less: Carrying Amount of Assets Disposed		(713,152)	-
Gain (Loss) on Disposal		(713,152)	-
Net Gain (Loss) on Disposal or Revaluation of Assets		(794,415)	(231)

### NOTE 5. CURRENT ASSETS

(a). Cash & Cash Equivalent Assets			
Cash on Hand at Bank		359,588	226,912
Deposits at Call		704,568	886,239
Short Term Deposits & Bills, etc.		9,500,000	8,600,000
Total Cash & Cash Equivalent Assets		10,564,156	9,713,151
(b). Trade & Other Receivables			
Debtors - General		679,858	652,701
Prepayments & Other Receivables		189,525	218,941
Total Trade & Other Receivables		869,383	871,642
(c). Inventories			
Stores & Materials		8,922	10,274
Trading Stock		692,808	846,857
Total Inventories		701,730	857,131

### NOTE 6. NON-CURRENT ASSETS

(a). Financial Assets			
Capital Works-in-Progress		1,306,478	489,276
Trademarks		27,424	5,810
Total Other Non-Current Assets		1,333,902	495,086

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	Fair Value Level	as at 30/6/2019				Asset Movements during the Reporting Period					as at 30/6/2020			
		At Fair Value	At Cost	Accumulated Dep'n	Carrying Value	Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3c)	Impairment Loss (recognised in Equity) (Note 9)	At Fair Value	At Cost	Accumulated Dep'n	Carrying Value
						New / Upgrade	Renewals							
Land	2	5,650,000	-	-	5,650,000	-	-	-	-	-	5,650,000	-	-	5,650,000
Buildings & Other Structures	2	25,000	1,167,522	(27,453)	1,165,069	96,430	-	-	(85,483)	-	25,000	1,263,952	(112,936)	1,176,016
Buildings & Other Structures	3	20,293,372	-	(7,991,531)	12,301,841	-	-	(713,152)	(278,173)	-	19,580,220	-	(8,269,704)	11,310,516
Infrastructure	2	25,000	2,530,473	(90,571)	2,464,902	14,846	634,147	-	(71,093)	-	25,000	3,179,466	(161,664)	3,042,803
Infrastructure	3	51,997,150	-	(38,720,663)	13,276,487	-	-	(97,210)	(681,110)	(302,648)	51,597,292	-	(39,401,773)	12,195,519
Right-of-Use Assets		-	-	-	-	227,780	-	-	(51,949)	-	-	227,780	(51,949)	175,831
Plant & Equipment		-	3,918,156	(2,877,983)	1,040,173	53,629	92,355	(5,110)	(347,950)	-	-	4,059,030	(3,225,933)	833,097
Motor Vehicles		-	1,628,869	(830,398)	798,471	-	37,589	(5,378)	(175,026)	-	-	1,661,080	(1,005,424)	655,656
Total Infrastructure, Property, Plant & Equipment		77,990,522	9,245,020	(50,538,599)	36,696,943	392,684	764,092	(820,850)	(1,690,784)	(302,648)	76,877,512	10,391,308	(52,229,383)	35,039,437
Comparatives		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

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 7b. VALUATION OF INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT & INVESTMENT PROPERTY (continued)

#### Valuation of Assets

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

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

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

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

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

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

#### Information on Valuations

*Fair value hierarchy level 2 valuations* - Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

*Fair value hierarchy level 3 valuations of land* - Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets - There is no known market for these assets and they are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by the Authority.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques. Accordingly, formal sensitivity analysis does not provide useful information.

#### Other Information

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 Practising Valuer of Liquid Pacific. Subsequent additions at cost have been disclosed 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.



# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 7b. VALUATION OF INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT & INVESTMENT PROPERTY (continued)

#### Valuation of Assets (continued)

##### Other Information (continued)

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.

##### Land & Land Improvements

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.

##### 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.

##### 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.

##### 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.

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 7b. VALUATION OF INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT & INVESTMENT PROPERTY (continued)

#### Valuation of Assets (continued)

##### 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.

### NOTE 8. LIABILITIES

\$	Notes	2020 Current	2020 Non Current	2019 Current	2019 Non Current
<b>(a). Trade and Other Payables</b>					
Goods & Services		895,445	-	712,212	-
Payments Received in Advance		1,218,306	-	1,197,032	-
Accrued Expenses - Employee Entitlements		84,686	-	34,971	-
Accrued Expenses - Other		255,321	-	191,699	-
Other		-	-	11,461	-
<b>Total Trade and Other Payables</b>		<b>2,453,758</b>	<b>-</b>	<b>2,147,375</b>	<b>-</b>
<b>(b). Borrowings</b>					
Lease Liabilities	16	58,195	111,390	-	-
<b>Total Borrowings</b>		<b>58,195</b>	<b>111,390</b>	<b>-</b>	<b>-</b>
All interest bearing liabilities are secured over the future revenues of the Authority					
<b>(c). Provisions</b>					
Employee Entitlements (including oncosts)		574,328	94,387	596,800	46,865
Heritage Monuments Restoration		-	36,000	-	36,000
Future Upkeep Provision		-	-	-	14,526,000
Deferred Interment Right Revenue		-	12,819,811	-	-
<b>Total Provisions</b>		<b>574,328</b>	<b>12,950,198</b>	<b>596,800</b>	<b>14,608,865</b>

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 9. RESERVES

\$	1/7/2019	Increments (Decrements)	Transfers	Impairments	30/6/2020
<b>(a). Asset Revaluation Reserve</b>					
Land	3,743,237	-	-	-	3,743,237
Buildings & Other Structures	7,907,528	-	(484,117)	-	7,423,411
Infrastructure	11,576,332	-	(374,883)	(302,648)	10,898,801
<b>Total Asset Revaluation Reserve</b>	<b>23,227,097</b>	<b>-</b>	<b>(859,000)</b>	<b>(302,648)</b>	<b>22,065,449</b>
<b>Comparatives</b>	<b>23,227,097</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,227,097</b>
\$	1/7/2019	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2020
<b>(b). Other Reserves</b>					
E M M Kay	30,719	-	-	(814)	29,905
Recycled Metals Charitable Reserve	85,615	-	-	108,350	193,965
<b>Total Other Reserves</b>	<b>116,334</b>	<b>-</b>	<b>-</b>	<b>107,536</b>	<b>223,870</b>
<b>Comparatives</b>	<b>82,850</b>	<b>33,484</b>	<b>-</b>	<b>-</b>	<b>116,334</b>

#### PURPOSES OF RESERVES

##### Asset Revaluation Reserves

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.

### NOTE 10. ASSETS SUBJECT TO RESTRICTIONS

The land on which the Authority operates is subject to restrictions as detailed in Note 7. No further restrictions to assets apply.

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 11. RECONCILIATION TO STATEMENT OF CASH FLOWS

\$	Notes	2020	2019
(a). Reconciliation of Cash			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash & Equivalent Assets	5	10,564,156	9,713,151
<b>Balances per Statement of Cash Flows</b>		<b>10,564,156</b>	<b>9,713,151</b>
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
<b>Net Surplus/(Deficit)</b>		<b>(1,245,261)</b>	<b>204,114</b>
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		1,691,996	1,594,475
Net (Gain) Loss on Disposals		794,415	231
		<b>2,162,700</b>	<b>1,798,820</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		2,259	27,393
Net (Increase)/Decrease in Inventories		155,401	39,246
Net (Increase)/Decrease in Other Current Assets		-	(48,760)
Net Increase/(Decrease) in Trade & Other Payables		306,383	223,424
Net Increase/(Decrease) in Unpaid Employee Benefits		25,050	(88,958)
Net Increase/(Decrease) in Other Provisions		-	(254,587)
Net Increase/(Decrease) in Other Liabilities		-	33,488
<b>Net Cash provided by (or used in) operations</b>		<b>2,651,794</b>	<b>1,730,066</b>
(c). Financing Arrangements			
<b>Unrestricted access was available at balance date to the following lines of credit:</b>			
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 2020

### NOTE 12. FINANCIAL INSTRUMENTS

#### Recognised Financial Instruments

##### Bank, Deposits at Call, Short Term Deposits

##### Accounting Policy:

Carried at lower of cost and net realisable value;  
Interest is recognised when earned.

##### Terms & Conditions:

Deposits are returning fixed interest rates between 1.10% and 0.80% (2019: 1.90%). Short term deposits are held either in LGFA or NAB at call and term deposit accounts.

##### Carrying Amount:

Approximates fair value due to the short term to maturity.

##### Receivables

##### Fees & Other Charges

##### Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

##### Terms & Conditions:

Unsecured, and do not bear interest.

##### Carrying Amount:

Approximates fair value (after deduction of any allowance).

##### Liabilities

##### Creditors and Accruals

##### Accounting Policy:

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.

##### Terms & Conditions:

Liabilities are normally settled on 30 day terms.

##### Carrying Amount:

Approximates fair value.

##### Liabilities

##### Leases

##### Accounting Policy:

Accounted for in accordance with AASB 16 as stated in Note 17.

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 12. FINANCIAL INSTRUMENTS (continued)

\$	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2020</b>					
<b><u>Financial Assets</u></b>					
Cash & Equivalents	10,564,156		-	10,564,156	10,564,156
Receivables	679,858	-	-	679,858	679,858
<b>Total Financial Assets</b>	<b>11,244,014</b>	<b>-</b>	<b>-</b>	<b>11,244,014</b>	<b>11,244,014</b>
<b><u>Financial Liabilities</u></b>					
Payables	2,096,783	-	-	2,096,783	2,113,752
Lease Liabilities	169,585	-	-	169,585	169,585
<b>Total Financial Liabilities</b>	<b>2,266,368</b>	<b>-</b>	<b>-</b>	<b>2,266,368</b>	<b>2,283,337</b>
\$	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2019</b>					
<b><u>Financial Assets</u></b>					
Cash & Equivalents	9,713,151		-	9,713,151	9,713,151
Receivables	652,701	-	-	652,701	652,701
<b>Total Financial Assets</b>	<b>10,365,852</b>	<b>-</b>	<b>-</b>	<b>10,365,852</b>	<b>10,365,852</b>
<b><u>Financial Liabilities</u></b>					
Payables	1,920,705	-	-	1,920,705	1,920,705
<b>Total Financial Liabilities</b>	<b>1,920,705</b>	<b>-</b>	<b>-</b>	<b>1,920,705</b>	<b>1,920,705</b>

#### 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 the Authority.

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 12. FINANCIAL INSTRUMENTS (continued)

#### 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 the Authority is the carrying amount, net of any impairment. All the Authority investments are 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 Mangement Policy (LGA Information Paper 15), liabilities have a range of maturity dates. the Authority also has available a range of bank overdraft and standby borrowing facilities that it can access.

**Interest Rate Risk** is the risk that future cash flows will fluctuate because of changes in market interest rates. the Authority has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

### NOTE 13. CAPITAL EXPENDITURE AND INVESTMENT PROPERTY COMMITMENTS

\$	Notes	2020	2019
Capital Commitments			
<b>Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:</b>			
Buildings & Other Structures		3,035,000	6,900
Infrastructure		392,000	21,453
Plant & Equipment		187,000	699,226
		<b>3,614,000</b>	<b>727,579</b>
<b>These expenditures are payable:</b>			
Not later than one year		3,614,000	727,579
Later than one year and not later than 5 years		-	-
Later than 5 years		-	-
		<b>3,614,000</b>	<b>727,579</b>

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 14. FINANCIAL INDICATORS

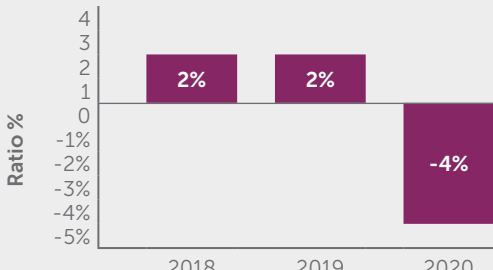
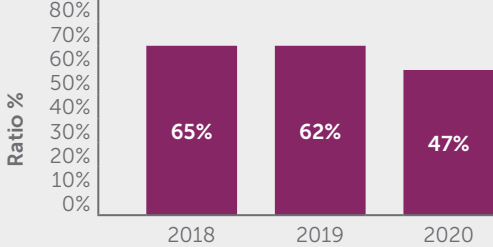
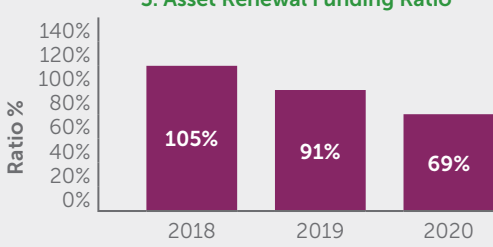
\$	Amounts 2020	Indicator 2020	Prior Periods 2019	2018
These Financial Indicators have been calculated in accordance with <i>Information paper 9 - Local Government Financial Indicators</i> prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.				
<b>1. Operating Surplus Ratio</b>				
Operating Surplus	(450,846)	(4%)	2%	2%
Total Operating Income	10,095,825			
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>				
<b>2. Net Financial Liabilities Ratio</b>				
Net Financial Liabilities	4,714,330	47%	62%	65%
Total Operating Income	10,095,825			
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in the Authority businesses). These are expressed as a percentage of total operating revenue.</i>				
<b>3. Asset Renewal Funding Ratio</b>				
Net Asset Renewals	1,173,086	69%	91%	105%
Infrastructure & Asset Management Plan required expenditure	1,691,997			
<i>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.</i>				



# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 14. FINANCIAL INDICATORS - GRAPHS (continued)

<div><div>1. Operating Surplus Ratio</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2018</td><td>2%</td></tr><tr><td>2019</td><td>2%</td></tr><tr><td>2020</td><td>-4%</td></tr></table></div>	Year	Ratio %	2018	2%	2019	2%	2020	-4%	<div><div>Purpose of Operating Surplus Ratio</div><div>This indicator is to determine the percentage the operating revenue varies from operating expenditure</div></div>	<div><div>Commentary on 2019/20 Result</div><div><b>2019/20 Ratio</b>    <b>-4%</b></div><div>The Authority budgeted for an Operating Deficit of -7.6%, this differs from prior years due to the adoption of the new standard AASB 16 Leases, which requires the authority to defer a portion of Interment Right revenue. The Authority's strong focus on financial discipline has resulted in the original target being exceeded even though revenue was further impacted by Covid-19 restrictions.</div></div>
Year	Ratio %									
2018	2%									
2019	2%									
2020	-4%									
<div><div>2. Net Financial Liabilities Ratio</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2018</td><td>65%</td></tr><tr><td>2019</td><td>62%</td></tr><tr><td>2020</td><td>47%</td></tr></table></div>	Year	Ratio %	2018	65%	2019	62%	2020	47%	<div><div>Purpose of Net Financial Liabilities Ratio</div><div>This indicator shows the significance of the net amount owed to others, compared to operating revenue</div></div>	<div><div>Commentary on 2019/20 Result</div><div><b>2019/20 Ratio</b>    <b>47%</b></div><div>This ratio demonstrates that the Authority's liabilities are within acceptable levels. The decrease on prior years is due to the adoption of the new standard AASB 16 Leases which has impacted both the Authority's revenue and Liabilities.</div></div>
Year	Ratio %									
2018	65%									
2019	62%									
2020	47%									
<div><div>3. Asset Renewal Funding Ratio</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2018</td><td>105%</td></tr><tr><td>2019</td><td>91%</td></tr><tr><td>2020</td><td>69%</td></tr></table></div>	Year	Ratio %	2018	105%	2019	91%	2020	69%	<div><div>Purpose of Asset Renewal Funding Ratio</div><div>This indicator aims to determine if assets are being renewed and replaced in an optimal way</div></div>	<div><div>Commentary on 2019/20 Result</div><div><b>2019/20 Ratio</b>    <b>69%</b></div><div>This ratio demonstrates the Authority's capital outlay on renewing/replacing assets. The Authority had anticipated a target closer to 100%, however the delayed start of two key asset renewal programs has resulted in the lower ratio.</div></div>
Year	Ratio %									
2018	105%									
2019	91%									
2020	69%									

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 15. UNIFORM PRESENTATION OF FINANCES

\$	2020	2019
----	------	------

The following is a high level summary of both operating and capital investment activities of the the Authority prepared on a simplified Uniform Presentation Framework basis.

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

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

Income	10,095,825	10,972,790
<i>less</i> Expenses	(10,546,672)	(10,768,446)
Operating Surplus / (Deficit)	<b>(450,846)</b>	<b>204,344</b>
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	(1,189,033)	(1,530,949)
<i>add back</i> Depreciation, Amortisation and Impairment	1,691,996	1,594,475
<i>add back</i> Proceeds from Sale of Replaced Assets	15,947	77,071
<b>Subtotal</b>	<b>518,911</b>	<b>140,597</b>
<b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(582,000)	(359,556)
<b>Subtotal</b>	<b>(582,000)</b>	<b>(359,556)</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(513,936)</b>	<b>(14,615)</b>

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 16. LEASES

The Authority as a Lessee

#### Computer Equipment

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.

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

#### Right of use assets

	Computer Equipment \$	Total \$
<b>2020</b>		
Additions to right-of-use assets	227,780	227,780
Depreciation charge	(51,949)	(51,949)
<b>Balance at 30 June 2020</b>	<b>175,830</b>	<b>175,830</b>

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

\$	2020	2019
<b>Balance at 1 July</b>	-	-
Additions	169,585	-
<b>Balance at 30 June</b>	<b>169,585</b>	-
<b>Classified as:</b>		
Current	58,195	-
Non Current	111,390	-

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 17. 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 2019/20; 9.50% in 2018/19). No further liability accrues to the Authority 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. The Authority 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 2018/19) 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 employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(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 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

#### **Contributions to Other Superannuation Schemes**

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 2020

### NOTE 18. CONTINGENCIES & ASSETS/LIABILITIES NOT RECOGNISED IN THE 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 2020 is \$12,239,891. 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 7.35% of 44,539 burial interment rights currently issued.

Total unused interment rights account for approximately 8.59% of 36,771 memorial interment rights currently issued.

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

### NOTE 19. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

---

Events that occur after the reporting date of 30 June 2020, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

The Authority has adopted the date of receipt of the Certification of Financial Statements as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 27/08/20.

**The Authority is unaware of any material or significant "non adjusting events" that should be disclosed.**

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 20. RELATED PARTY TRANSACTIONS

\$	2020	2019
----	------	------

#### Key Management Personnel

##### Transactions with Key Management Personnel

The Key Management Personnel of the Authority includes the Board, CEO and senior managers.  
In all, 12 persons were paid the following total compensation.

##### The compensation paid to Key Management Personnel comprises:

Salaries, allowances and other short term benefits	799,913	714,615
Total	<b>799,913</b>	<b>714,615</b>

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

##### Receipts from Key Management Personnel comprise:

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 \$636,176 (2018/19 \$626,000).

# CENTENNIAL PARK CEMETERY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### NOTE 21. 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 2020 total \$688,759 (2019 \$724,384). From 1st December 2014 pre-paid products were no longer paid to Funeral Plan Management Pty Ltd.

### NOTE 22. 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 2020, 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 2020, 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 2020, 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 3<sup>rd</sup> day of September 2020,  
at 214 Melbourne Street, North Adelaide

# CENTENNIAL PARK CEMETERY AUTHORITY

## GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### 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 2020, the Authority's Auditor, Dean Newberry 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

**Date:** 17 August 2020

**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 2020, 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 3<sup>rd</sup> day of September 2020,  
at 214 Melbourne Street, North Adelaide, South Australia 5006





*Poppies*  
by Everlon