



# 2022

## Annual Report





Springbank  
Island

Cover: Tuscan Memorial Garden



---

# 490,000

PARK VISITORS 2021/22



---

# 810

BURIALS



# 2,964

CREMATIONS



---

# 934

FUNERAL  
SERVICES



# 450

CELEBRATION OF LIFE  
GATHERINGS



# 600

NATIVE TREES  
AND SHRUBS  
PLANTED ON  
THE NORTHERN  
BOUNDARY

---

# 15,000

COFFEES  
SERVED



# 7,500

ROSES PRUNED



# 11

EVENTS WITH OVER  
1200 ATTENDEES

---

NEW FOUR-YEAR STRATEGIC PLAN AND  
A TEN-YEAR ASSET MANAGEMENT PLAN

---

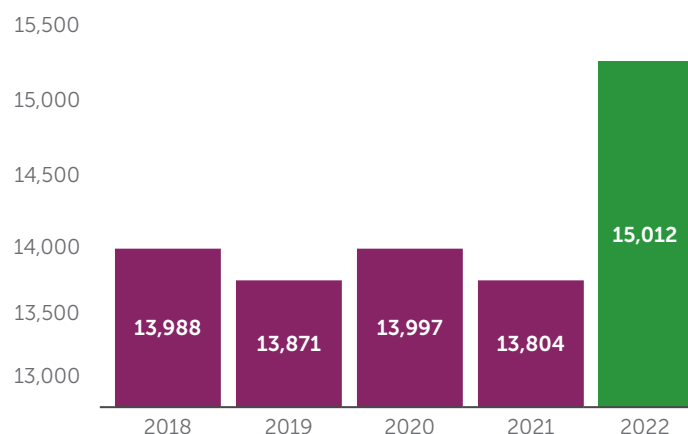
## Operating Environment

Centennial Park is committed to providing our services with dignity, respect, care, and transparency. We helped South Australian families with burials or cremations, and also the memorialisation of loved ones, and celebration of life gatherings.

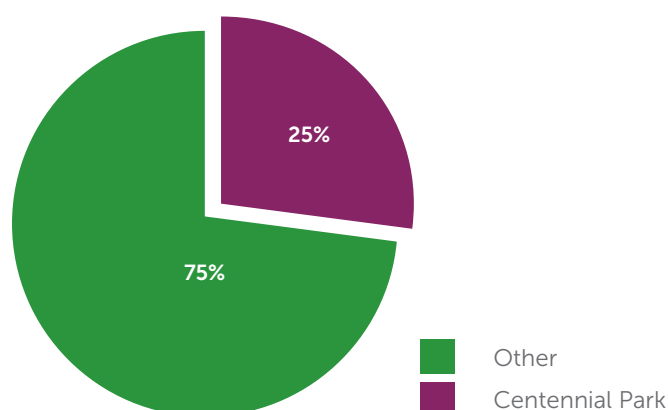
### State deaths

Centennial Park provided burial or cremation services for 25% of all recorded deaths in South Australia over the last financial year.

#### Total State Deaths

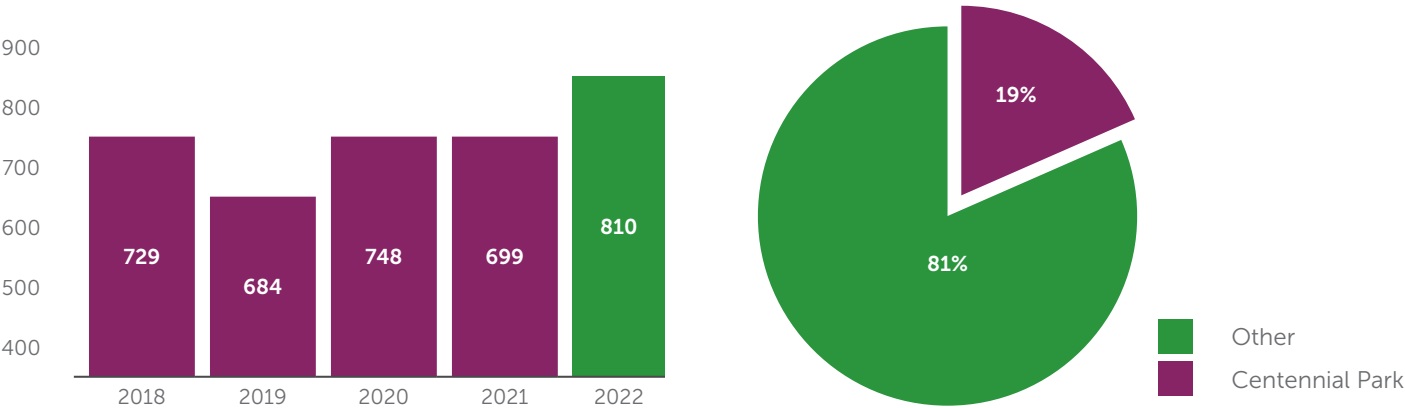


#### Total Burial and Cremation Services



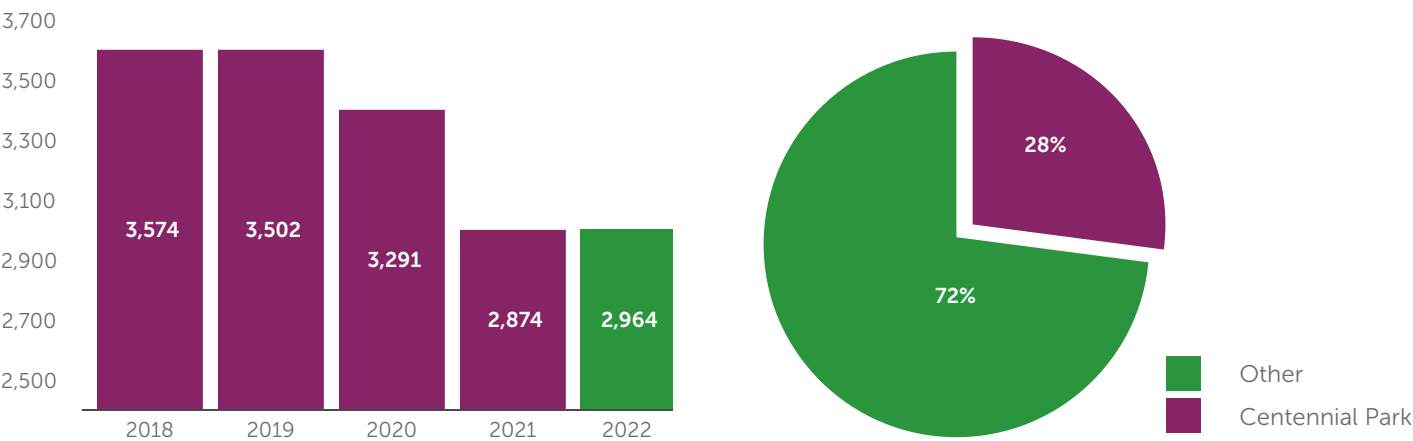
Burials

Centennial Park performed 810 burials this year. This represents 19% of all the burials in South Australia and 38% of all Adelaide metropolitan burials. Burial remains a preference to many in the community, who value the options we provide within the stunning surrounds of the Park.



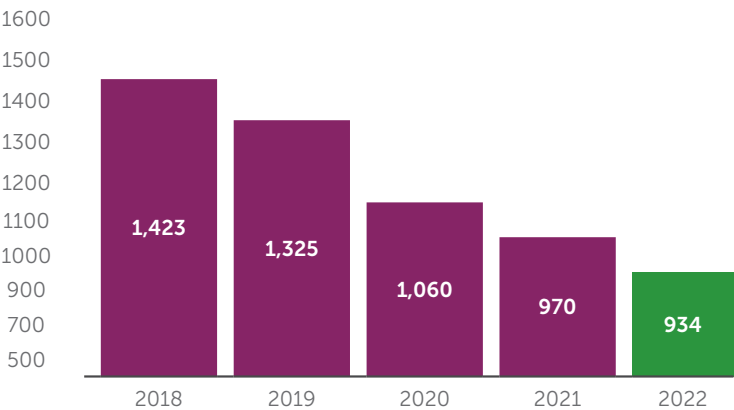
Cremations

We conducted 2,964 cremations at Centennial Park this year, representing 28% of all cremations in South Australia. This is a 1% reduction from the previous period.



Funeral & memorial services

Government imposed COVID-19 restrictions and lock downs impacted on funeral and memorial service delivery. Centennial Park hosted 934 funeral and memorial services in our Jubilee Complex, Function Rooms or Outdoor Garden services over the past year.





# COVID-19 Impact

COVID-19 remained a challenge. The health and wellbeing of our team, families, and visitors remained a priority, with the introduction of a mandated vaccination policy for our team, suppliers, and contractors.

To ensure our ability to provide our essential services to families in their time of need, some of the initiatives established in 2020 continued through the 2022 financial year, including:

- Swift communication of any changes to capacity numbers to families and funeral directors and adapting service delivery accordingly.
- Reduction in prices of our service spaces so that families could use larger spaces and maximise the number of people who could attend a funeral and memorial service.
- Improved live streaming for funeral and memorial services.
- A floral placement service for those unable to visit a memorial position.
- Work from home arrangements, separation of teams, where appropriate, to ensure no workplace transmission.

## Customer Experience

In response to the ongoing COVID-19 pandemic and customer demands, we made changes to our customer service teams, including:

- Structure change for the sales and customer service teams to better respond to customer demand.
- Adapted our consultations to cater to the growing demand for phone, email, and Zoom consultations.
- Combined the Bookings and Jubilee Complex teams to form a single Funerals & Memorial Services Team.
- Launched bundled packages incorporating a mix of Jubilee Complex, memorials, cremations and functions offerings.
- Implemented a new dedicated concierge service at the Jubilee Complex for all funeral and memorial services to assist families and funeral directors while at Centennial Park.







## Our Natural Environment

Preserving the valuable green space is a major priority, with the focus on regeneration of our Park, its assets and its natural botanical environment to ensure it is sustainably enriched and enhanced.

### Natural Environment

We continued to actively monitor and review our environmental performance and identify innovative ways to reduce our overall environmental footprint. Independent annual reviews are conducted on our environmental performance including energy usage and emissions and tree planting.

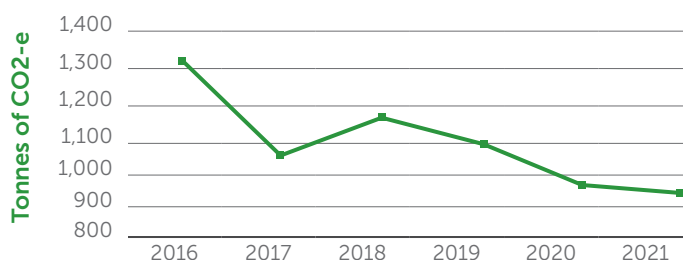
### Carbon Emissions

For the last 15 years we have completed an annual audit of our greenhouse gas emissions and purchased carbon credits to offset our emissions.

Since the base year emissions of FY2008 we have successfully reduced our overall emissions by 729 tonnes of CO<sub>2</sub>-e, a decrease of 41.7% based on an annual like for like net comparison.

### Tree Planting

We have been an active member of Trees For Life since the mid 1990's. Each year, including the 2022 financial year, we plant an average of 1,000 trees and shrubs around our boundary to provide a natural screen and important habitat/corridor for our wildlife.





# Our Assets

To ensure exceptional service, equipment was replaced, and assets updated and refurbished within the Park over the 2022 financial year including:

- Cremator number 2, the second new cremator in recent years.
- Forklift, front end loader, tipper utility, drone, and ride-on mower.
- Security cameras installed at all entrance/exit gates.
- Décor in the café and function rooms updated.
- Administration Building Reception area refurbished.

## Cemetery Beam Replacement Program

Our annual program of beam replacement, the concrete foundations which headstones are placed on, saw 44 beams replaced. A total of 889 lineal metres were laid in Catholic G, Orthodox General AG and Catholic E sections in FY2022. We aim to replace a similar number of beams in FY2023.

## Landscaping and Beautifying Our Gardens

Our grounds look beautiful all year 'round. To achieve this, we have completed several projects this year, including:

- Maintained more than 7,500 roses across our gardens.
- Installed a further six 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 FY2023.
- Redeveloped Tuscan gardens to include a new Lilli Pilli hedge, four large Cupressus, two large Standard Magnolias and a feature urn.
- Installed our new sculpture, The Emu, in Tristiana Court.

## Upgrade of Air Conditioning Systems

This year we upgraded the air conditioning systems in the Administration offices. The upgrade has improved the comfort for staff working in these offices and further reduced our energy consumption as the new units do not rely on refrigerant gas (R22), which is harmful to the environment.

## Community Partnerships

We proudly partnered with not-for-profit organisations to help us maintain and improve our facilities while improving the lives of individuals.

Bedford, local disability and support services provider, continued to help us to maintain our grounds. Bedford employees learned new skills and gained hands-on experience while working in our gardens.

Each year TAFE students gain practical experience pruning our roses under the supervision of their lecturers. Rose pruning is one of the biggest tasks in the garden each year, and we are pleased to be part of this mutually beneficial arrangement.



# Our Community Engagement

Our stunning botanical grounds are a welcoming sanctuary for all who visit, and we value our connection to community. We were pleased to have hosted a number of events throughout the year and reintroduced our popular Behind the Scenes Tours.

With Wildflowers Café open for a year, it is a pleasure to see regular groups meeting at the café and enjoying the outlook of the beautiful gardens.

## Highlights for the year included:

### SALA in the Park

We invited the community to once again be part of our SALA in the Park sculptural walk. Several temporary sculptures were placed alongside our more than a dozen permanent sculptures to create a self-guided walk through nature, where life and art could be contemplated. The popularity of this event continues to grow, and we look forward to being part of the 25th year of the SALA Festival.

### Pregnancy and Infant Loss Tribute

For many years Centennial Park has marked International Pregnancy and Infant Loss Remembrance Day on October 15. This year in addition to placing colourful butterflies at each of the resting places within our Infant and Children's areas; we marked the day with an enduring tribute, a Crab Apple tree and a plaque to acknowledge the families who have lost a child through miscarriage, stillbirth, infant death, and other infant loss.

### Remembrance Day

We held our annual Remembrance Day Tribute with a limited number of invited guests. Walford Anglican School for Girls placed over 4,000 Australian flags on the memorials of service personnel at rest in Derrick Gardens.

It was a poignant backdrop for a moving service led by The Barossa Light Horse Historical Association Inc and featuring Re-enact SA Catafalque Party, Cadet Flag, and Escort, Scotch College Adelaide Pipes and Drums. Following the minute's silence and the playing of the Last Post, Walford Anglican School for Girls Choir provided a moving rendition of In Flanders Field.

### Behind the Scenes and Group Tours

In April 2022 we reintroduced our Behind the Scenes tours, once again providing the community with the opportunity to see the inner workings of Centennial Park.

Held on the last Saturday of the month, the highly informative tour takes in our grounds, buildings, and spectacular gardens, crematorium (optional). With limited numbers per session, we ensure participants questions can be answered and we can tour the Park in comfort and safety.

We also hosted a number of personalised tours for various community groups.

### Mother's Day

Mother's Day weekend saw the Park full of flowers, live music by ASO acclaimed harpist Emma Horwood, and families remembering and celebrating mothers, grandmothers, and all the special women who impact our lives. We hosted our first ever high tea in the Function Rooms, which was a sell-out, with the fantastic feedback it would appear everyone enjoyed the day.





## Information & Communication Technology

As we increasingly rely on technology, there is a focus on cyber security and resilience, safeguarding business continuity and data integrity while improving the experience for both our team and our customers.

During 2021/2022 the following initiatives were undertaken:

- Tested our disaster recovery plans.
- Implemented a cyber awareness training program.
- Hardware upgrades and replacements of our printers/copiers, WIFI network, and mobile phone fleet, to ensure stability, reliability, and secure technology.
- Upgraded our Internet to NBN Enterprise Ethernet.
- Discovery and system improvement planning for our audio-visual service in the Jubilee Complex working towards enhancing service delivery.

Digitisation of our records saw another 138 folders / 17 boxes of paper records completed, putting us three years ahead of schedule.



# Our People

The health and well-being of our people is a driving force in the way we operate, lead, and conduct business.

We want a healthy level of awareness around wellbeing in our organisational culture. Supporting the very sensitive nature of our working environment and the impact of the sometimes challenging aspects of the services we provide, and maintaining our investment and commitment to health and wellbeing initiatives.

We have recently conducted an organisation-wide Health and Wellbeing Survey, providing team members an opportunity to give insight and feedback ensuring we continue to have the right measures and resources in place to support our People.

Our organisational structure is regularly monitored and reviewed. In the past year, we have implemented new team structures for multiple customer-facing roles, to deliver a premium experience for our customers and visitors.

We increased our investment in People and Culture, through the appointment of our first ever People and Culture Officer – ensuring that the team has capacity to support the organisational capability activities of the business. This will be a critical role as we prepare for the implementation of the new strategic plan and consider the resources and activities required to achieve our objectives and goals.

Professional development is a key focus, with a significant investment into our Leadership capability over the past year.

## Work Health & Safety

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

We 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 offer the Employee Assistance Program and Healthy Lifestyle Program to all our employees.

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

Indicator	FY2022	FY2021	FY2020	FY2019	FY2018	FY2017
Number of injuries resulting in lost time at work	1	0	0	1	0	0
Lost days due to injury	50	0	0	2	0	0
Number of accidents/incidents reported	21	35	35	34	36	46
Number of hazards reported	1	1	8	4	7	9





## Financial Performance

The Authority produced an operating surplus of \$134K, which was \$541K better than the previous period. Whilst some service areas continued to be impacted by Government imposed restrictions in response to the COVID-19 pandemic, we saw a significant increase in revenue generated from the sale of both burial and memorial interment rights.

The Liability Guarantee Fee paid to Owner Councils was \$659K in total. Before payment of the Liability Guarantee Fee, the result for the year was \$793K, resulting in a net operating surplus of 7% of revenue.

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



# ANNUAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2022

**A place for the living; a vibrant community hub. A place where life is cherished,  
commemorated, contemplated, and celebrated.**

**26 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)



General Purpose Financial Statements  
for the year ended 30 June 2022

---

Contents	Page
<b>1. The Authority Certificate</b>	16
<b>2. Primary Financial Statements</b>	17
- Statement of Comprehensive Income	
- Statement of Financial Position	
- Statement of Changes in Equity	
- Statement of Cash Flows	
<b>3. Notes to and forming part of the Financial Statements</b>	21
<b>4. Independent Auditor's Report - Financial Statements</b>	47
<b>5. Certificates of Audit Independence</b>	49
- The Authority Certificate of Audit Independence	
- Audit Certificate of Audit Independence	



## General Purpose Financial Statements

for the year ended 30 June 2022

---

### 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 2022 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

25 August 2022



---

Amanda Heyworth  
CHAIR

25 August 2022



## Statement of Comprehensive Income

for the year ended 30 June 2022

\$	Notes	2022	2021
<b>Income</b>			
User Charges	2a	11,184,792	9,466,922
Investment Income	2b	65,300	85,379
<b>Total Income</b>		<b>11,250,092</b>	<b>9,552,301</b>
<b>Expenses</b>			
Employee costs	3a	5,204,045	4,833,484
Materials, Contracts and Other Expenses	3b	3,999,638	3,483,473
Depreciation, Amortisation and Impairment	3c	1,912,263	1,642,637
<b>Total Expenses</b>		<b>11,115,946</b>	<b>9,959,594</b>
<b>Operating Surplus / (Deficit)</b>		<b>134,146</b>	<b>(407,293)</b>
Asset Disposal & Fair Value Adjustments	4	(30,186)	7,118
<b>Net Surplus / (Deficit)</b>		<b>103,960</b>	<b>(400,175)</b>
<b>Other Comprehensive Income</b>			
Changes in Revaluation Surplus - I,PP&E	9a	15,463,235	—
Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve		—	(17,423)
Other movements		(52,025)	—
<b>Total Other Comprehensive Income</b>		<b>15,411,210</b>	<b>(17,423)</b>
<b>Total Comprehensive Income</b>		<b>15,515,170</b>	<b>(417,598)</b>

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

## Statement of Financial Position

as at 30 June 2022

\$	Notes	2022	2021
<b>ASSETS</b>			
<b>Current assets</b>			
Cash & Cash Equivalent Assets	5a	8,588,784	7,328,052
Trade & Other Receivables	5b	1,103,748	872,108
Inventories	5c	497,486	630,641
<u>Subtotal</u>		<u>10,190,018</u>	<u>8,830,801</u>
<b>Total current assets</b>		<u>10,190,018</u>	<u>8,830,801</u>
<b>Non-current assets</b>			
Other Non-Current Assets	6	497,350	256,724
Infrastructure, Property, Plant & Equipment	7a(i)	54,931,316	39,911,311
<b>Total non-current assets</b>		<u>55,428,666</u>	<u>40,168,035</u>
<b>TOTAL ASSETS</b>		<u>65,618,684</u>	<u>48,998,836</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8a	3,173,082	2,549,946
Borrowings	8b	30,398	58,195
Provisions	8c	614,830	599,561
<u>Subtotal</u>		<u>3,818,310</u>	<u>3,207,702</u>
<b>Total Current Liabilities</b>		<u>3,818,310</u>	<u>3,207,702</u>
<b>Non-Current Liabilities</b>			
Borrowings	8b	22,798	53,196
Provisions	8c	14,272,598	13,748,130
<b>Total Non-Current Liabilities</b>		<u>14,295,396</u>	<u>13,801,326</u>
<b>TOTAL LIABILITIES</b>		<u>18,113,706</u>	<u>17,009,028</u>
<b>Net Assets</b>		<u>47,504,978</u>	<u>31,989,808</u>
<b>EQUITY</b>			
Accumulated surplus		9,726,503	9,622,543
Asset revaluation reserves	9a	37,459,464	22,048,026
Other reserves	9b	270,309	270,537
Contributed Equity	9	48,702	48,702
<b>Total Equity</b>		<u>47,504,978</u>	<u>31,989,808</u>

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



## Statement of Changes in Equity

for the year ended 30 June 2022

\$	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Contributed Equity	Total equity
<b>2022</b>						
Balance at the end of previous reporting period		9,622,543	22,048,026	270,537	48,702	31,989,808
Net Surplus / (Deficit) for Year		103,960	—	—	—	103,960
<b>Other Comprehensive Income</b>						
Gain (loss) on revaluation of IPP&E	7a	—	15,463,235	—	—	15,463,235
IPP&E Impairment (Expense) / Recoupments						
Offset to ARR	7a	—	(51,797)	—	—	(51,797)
- E M M Kay	9b	—	—	(228)	—	(228)
<b>Other comprehensive income</b>		<b>—</b>	<b>15,411,438</b>	<b>(228)</b>	<b>—</b>	<b>15,411,210</b>
<b>Total comprehensive income</b>		<b>103,960</b>	<b>15,411,438</b>	<b>(228)</b>	<b>—</b>	<b>15,515,170</b>
<b>Balance at the end of period</b>		<b>9,726,503</b>	<b>37,459,464</b>	<b>270,309</b>	<b>48,702</b>	<b>47,504,978</b>
<b>2021</b>						
Balance at the end of previous reporting period		10,022,718	22,065,449	223,870	48,702	32,360,739
Net Surplus / (Deficit) for Year		(400,175)	—	—	—	(400,175)
<b>Other Comprehensive Income</b>						
IPP&E Impairment (Expense) / Recoupments						
Offset to ARR	7a	—	(17,423)	—	—	(17,423)
- Recycled Metals Charitable Reserve	9b	—	—	46,872	—	46,872
- E M M Kay	9b	—	—	(205)	—	(205)
<b>Other comprehensive income</b>		<b>—</b>	<b>(17,423)</b>	<b>46,667</b>	<b>—</b>	<b>29,244</b>
<b>Total comprehensive income</b>		<b>(400,175)</b>	<b>(17,423)</b>	<b>46,667</b>	<b>—</b>	<b>(370,931)</b>
<b>Balance at the end of period</b>		<b>9,622,543</b>	<b>22,048,026</b>	<b>270,537</b>	<b>48,702</b>	<b>31,989,808</b>

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

## Statement of Cash Flows

for the year ended 30 June 2022

\$	Notes	2022	2021
<b>Cash flows from operating activities</b>			
<u>Receipts</u>			
Operating Receipts		11,506,463	10,218,541
Investment Receipts		65,300	85,379
<u>Payments</u>			
Payments to Employees		(5,238,644)	(4,760,018)
Payments for Materials, Contracts & Other Expenses		(3,233,280)	(3,274,174)
<b>Net cash provided by (or used in) Operating Activities</b>	11b	<u>3,099,839</u>	<u>2,269,728</u>
<b>Cash flows from investing activities</b>			
<u>Receipts</u>			
Sale of Replaced Assets		34,775	30,000
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(1,419,851)	(2,261,397)
Expenditure on New/Upgraded Assets		(395,836)	(3,216,241)
<b>Net cash provided (or used in) investing activities</b>		<u>(1,780,912)</u>	<u>(5,447,638)</u>
<b>Cash flows from financing activities</b>			
<u>Payments</u>			
Repayment of Lease Liabilities		(58,195)	(58,194)
<b>Net Cash provided by (or used in) Financing Activities</b>		<u>(58,195)</u>	<u>(58,194)</u>
<b>Net Increase (Decrease) in Cash Held</b>		1,260,732	(3,236,104)
plus: Cash & Cash Equivalents at beginning of period		7,328,052	10,564,156
<b>Cash and cash equivalents held at end of period</b>	11a	<u>8,588,784</u>	<u>7,328,052</u>

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



## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Contents of the Notes accompanying the General Purpose Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	22
2	Income	27
3	Expenses	27
4	Asset Disposal & Fair Value Adjustments	29
5	Current Assets	29
6	Non-Current Assets	30
7	Infrastructure, Property, Plant & Equipment & Investment Property	31
8	Liabilities	34
9	Reserves	35
10	Assets Subject to Restrictions	35
11	Reconciliation to Statement of Cash Flows	36
12	Financial Instruments	37
13	Capital Expenditure and Investment Property Commitments	39
14	Financial Indicators	40
15	Uniform Presentation of Finances	42
16	Leases	43
17	Superannuation	44
18	Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet	45
19	Events after the Balance Sheet Date	45
20	Related Party Transactions	46
	<b>Additional Council disclosures (unaudited)</b>	
21	Future Commitments	46
22	Segment Reporting	46

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### 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 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.

##### 1. 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.

##### 2. 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.



## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 1. Summary of Significant Accounting Policies (continued)

- **Interment Right Renewals (Limited Tenure)** – Revenue from interment right renewals is for 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 four 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 \$5,000.

##### 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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 1. Summary of Significant Accounting Policies (continued)

#### 6.5 Impairment

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

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            0.88% (2021, 0.99%)

Weighted avg. settlement period    7 years (2021, 7 years)

No accrual is made for sick leave as 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 Hostplus 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

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



## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 1. Summary of Significant Accounting Policies (continued)

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 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) Payments to Constituent Councils

A Liability Guarantee Fee of \$659,257 was paid to the Constituent Councils (2021 Liability Guarantee Fee of \$325,721 included a one-off six month waiver in recognition of the impact to the Authority's revenue resulting from the COVID-19 pandemic).

### (12) New accounting standards and UIG interpretations

In the current year, the Authority reviewed 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 and have found none requiring adoption.

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

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 that could be applicable to Councils.

#### Effective for NFP annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2020-6)
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (amended by AASB 2021-6)

#### Effective for NFP annual reporting periods beginning on or after 1 January 2025

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### 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, AASB 2017-5 and AASB 2021-7))

#### **(13) 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.

#### **(14) Disclaimer**

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



## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 2. Income

\$	2022	2021
<b>(a) User Charges</b>		
Cremation	1,377,496	1,368,024
Memorial	3,315,305	2,876,544
Burial	6,012,155	5,036,583
Chapel Fees	978,224	796,315
Deferred Interment Right Revenue	(593,370)	(754,344)
Cafe and Catering Revenue	7,590	1,538
Retail Store	60,551	13,579
Sundry Income	26,841	128,683
<b>Total User Charges</b>	<b>11,184,792</b>	<b>9,466,922</b>

### (b) Investment Income

Interest on Investments		
- Local Government Finance Authority	57,436	79,262
- Banks & Other	7,864	6,117
<b>Total Investment Income</b>	<b>65,300</b>	<b>85,379</b>

### Note 3. Expenses

\$	Notes	2022	2021
<b>(a) Employee costs</b>			
Salaries and Wages		4,370,030	3,981,131
Employee Leave Expense		330,690	391,465
Superannuation - Defined Contribution Plan Contributions	17	411,297	381,760
Workers' Compensation Insurance		92,028	85,525
Less: Capitalised and Distributed Costs		–	(6,397)
<b>Total Operating Employee Costs</b>		<b>5,204,045</b>	<b>4,833,484</b>
Total Number of Employees (full time equivalent at end of reporting period)			
		52	51

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 3. Expenses (continued)

\$	2022	2021
<b>(b) Materials, Contracts and Other Expenses</b>		
<b>(i) Prescribed Expenses</b>		
Auditor's Remuneration		
- Auditing the Financial Reports	15,000	15,000
<b>Subtotal - Prescribed Expenses</b>	<b>15,000</b>	<b>15,000</b>
<b>(ii) Other Materials, Contracts and Expenses</b>		
Contractors	468,283	424,595
Energy	231,848	227,285
Individually Significant Items	659,257	325,721
Maintenance	643,766	628,694
Legal Expenses	27,637	72,394
Parts, Accessories & Consumables	729,374	591,352
Professional Services	115,198	42,611
Insurance	145,500	128,031
Licences	203,175	158,788
Water	152,267	195,163
Sundry	608,333	673,839
<b>Subtotal - Other Material, Contracts &amp; Expenses</b>	<b>3,984,638</b>	<b>3,468,473</b>
<b>Total Materials, Contracts and Other Expenses</b>	<b>3,999,638</b>	<b>3,483,473</b>
<b>(iii) Individually significant items</b>		
Liability Guarantee Fee	659,257	325,721
<b>(c) Depreciation, Amortisation and Impairment</b>		
<b>(i) Depreciation and Amortisation</b>		
Buildings & Other Structures	456,003	371,747
Infrastructure	877,241	736,994
Right-of-use Assets	56,675	56,675
Plant & Equipment	361,821	314,177
Motor Vehicle	156,537	160,162
<b>Subtotal</b>	<b>1,908,277</b>	<b>1,639,755</b>
<b>(ii) Amortisation</b>		
Trademarks	3,986	2,882
<b>Subtotal</b>	<b>3,986</b>	<b>2,882</b>
<b>Total Depreciation, Amortisation and Impairment</b>	<b>1,912,263</b>	<b>1,642,637</b>



## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 4. Asset Disposal & Fair Value Adjustments

\$	2022	2021
<b>Infrastructure, Property, Plant &amp; Equipment</b>		
<b>(i) Assets Renewed or Directly Replaced</b>		
Proceeds from Disposal	34,775	30,000
Less: Carrying Amount of Assets Sold	(64,961)	(22,882)
<b>Gain (Loss) on Disposal</b>	<b>(30,186)</b>	<b>7,118</b>
<b>Net Gain (Loss) on Disposal</b>	<b>(30,186)</b>	<b>7,118</b>

### Note 5. Current Assets

\$	2022	2021
<b>(a) Cash &amp; Cash Equivalent Assets</b>		
Cash on Hand at Bank	235,696	237,126
Deposits at Call	1,353,088	1,090,926
Short Term Deposits & Bills, etc.	7,000,000	6,000,000
<b>Total Cash &amp; Cash Equivalent Assets</b>	<b>8,588,784</b>	<b>7,328,052</b>

### (b) Trade & Other Receivables

Debtors - General	898,009	821,936
Prepayments & Other Receivables	205,739	50,172
<b>Total Trade &amp; Other Receivables</b>	<b>1,103,748</b>	<b>872,108</b>

### (c) Inventories

Stores & Materials	14,747	4,904
Trading Stock	482,739	625,737
<b>Total Inventories</b>	<b>497,486</b>	<b>630,641</b>

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

### Note 6. Non-Current Assets

\$	2022	2021
<b>Other Non-Current Assets</b>		
<b>Other</b>		
Capital Works-in-Progress	462,078	232,182
Trademarks	35,272	24,542
<b><u>Total Other Non-Current Assets</u></b>	<b><u>497,350</u></b>	<b><u>256,724</u></b>



**Note 7. Infrastructure, Property, Plant & Equipment & Investment Property**

31

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

#### (b) Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

##### 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 buildings, infrastructure and other assets. These assets 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 similar Authorities, 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

Land, Building & Other Structures and Infrastructure shown in fair value hierarchy level 2 and 3 were revalued as at 1 July 2021 by AssetVal. 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.

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.



## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

---

#### **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.

#### **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.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 8. Liabilities

	2022 Current	2022 Non Current	2021 Current	2021 Non Current
\$				
<b>(a) Trade and Other Payables</b>				
Goods & Services	1,010,718	—	626,153	—
Payments Received in Advance	1,841,619	—	1,443,647	—
Accrued Expenses - Employee Entitlements	108,365	—	89,331	—
Accrued Expenses - Other	212,380	—	390,815	—
<b><u>Total Trade and Other Payables</u></b>	<b><u>3,173,082</u></b>	<b><u>—</u></b>	<b><u>2,549,946</u></b>	<b><u>—</u></b>

	Notes	2022 Current	2022 Non Current	2021 Current	2021 Non Current
\$					
<b>(b) Borrowings</b>					
Lease Liabilities	16b	30,398	22,798	58,195	53,196
<b><u>Total Borrowings</u></b>		<b><u>30,398</u></b>	<b><u>22,798</u></b>	<b><u>58,195</u></b>	<b><u>53,196</u></b>

### (c) Provisions

Employee Entitlements (including oncosts)	614,830	69,073	599,561	137,975
Heritage Monuments Restoration	—	36,000	—	36,000
Deferred Interment Right Revenue	—	14,167,525	—	13,574,155
<b><u>Total Provisions</u></b>	<b><u>614,830</u></b>	<b><u>14,272,598</u></b>	<b><u>599,561</u></b>	<b><u>13,748,130</u></b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 9. Reserves

	as at 30/06/21				as at 30/06/22
\$	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
<b>(a) Asset Revaluation Reserve</b>					
Land - Other	3,743,237	3,700,000	–	–	7,443,237
Buildings & Other Structures	7,423,411	129,279	–	–	7,552,690
Infrastructure	10,881,378	11,633,956	–	(51,797)	22,463,537
<b>Total Asset Revaluation Reserve</b>	<b>22,048,026</b>	<b>15,463,235</b>	<b>–</b>	<b>(51,797)</b>	<b>37,459,464</b>
Comparatives	22,065,449	–	–	(17,423)	22,048,026

	as at 30/06/21				as at 30/06/22
\$	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
<b>(b) Other Reserves</b>					
E M M Kay	29,700	–	(228)	–	29,472
Recycled Metals Charitable Reserve	240,837	–	–	–	240,837
<b>Total Other Reserves</b>	<b>270,537</b>	<b>–</b>	<b>(228)</b>	<b>–</b>	<b>270,309</b>
Comparatives	223,870	–	–	46,667	270,537

### 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.



## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 11. Reconciliation to Statement of Cash Flows

\$	Notes	2022	2021
----	-------	------	------

#### (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 Statement of Financial Position as follows:

Total Cash & Equivalent Assets	5	8,588,784	7,328,052
<b>Balances per Statement of Cash Flows</b>		<b>8,588,784</b>	<b>7,328,052</b>

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

<b>Net Surplus/(Deficit)</b>		103,960	(400,175)
<b>Non-Cash Items in Income Statements</b>			
Depreciation, Amortisation & Impairment		1,912,263	1,642,637
Net (Gain) Loss on Disposals		30,186	(7,118)
Deferred Interment Right Revenue		593,370	754,344
Other Reserves		(228)	46,667
		<b>2,639,551</b>	<b>2,036,355</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		(231,640)	(2,725)
Net (Increase)/Decrease in Inventories		133,155	71,089
Net (Increase)/Decrease in Other Assets		(10,730)	–
Net Increase/(Decrease) in Trade & Other Payables		623,136	96,188
Net Increase/(Decrease) in Unpaid Employee Benefits		(53,633)	68,821
<b>Net Cash provided by (or used in) operations</b>		<b>3,099,839</b>	<b>2,269,728</b>

#### (c) Financing Arrangements

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

Bank Overdrafts	50,000	50,000
Corporate Credit Cards	30,000	30,000

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### 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 1.88% and 0.30% (2021: 0.35% and 0.30%). 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. The Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.

**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.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 12. Financial Instruments (continued)

\$	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets and Liabilities</b>					
<b>2022</b>					
<b>Financial Assets</b>					
Cash & Cash Equivalents	8,588,784	—	—	8,588,784	8,588,784
Receivables	898,009	—	—	898,009	898,009
<b>Total Financial Assets</b>	<b>9,486,793</b>	<b>—</b>	<b>—</b>	<b>9,486,793</b>	<b>9,486,793</b>
<b>Financial Liabilities</b>					
Payables	2,852,337	—	—	2,852,337	2,852,337
Leases	30,398	22,798	—	53,196	53,196
<b>Total Financial Liabilities</b>	<b>2,882,735</b>	<b>22,798</b>	<b>—</b>	<b>2,905,533</b>	<b>2,958,729</b>
<b>2021</b>					
<b>Financial Assets</b>					
Cash & Cash Equivalents	7,328,052	—	—	7,328,052	7,328,052
Receivables	821,936	—	—	821,936	821,936
<b>Total Financial Assets</b>	<b>8,149,988</b>	<b>—</b>	<b>—</b>	<b>8,149,988</b>	<b>8,149,988</b>
<b>Financial Liabilities</b>					
Payables	2,069,800	—	—	2,069,800	2,069,800
Leases	58,195	53,196	—	111,391	111,391
<b>Total Financial Liabilities</b>	<b>2,127,995</b>	<b>53,196</b>	<b>—</b>	<b>2,181,191</b>	<b>2,181,191</b>

The following interest rates were applicable to Council's Borrowings at balance date:

#### Net Fair Value

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



## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### 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 Authority is the carrying amount, net of any impairment. All of the Authority's 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 Management 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

\$	2022	2021
----	------	------

#### Capital Commitments

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

Buildings & Other Structures	220,047	494,000
Infrastructure	500,895	416,000
Plant & Equipment	527,798	337,000
	<u>1,248,740</u>	<u>1,247,000</u>

##### These expenditures are payable:

Not later than one year	1,248,740	1,247,000
	<u>1,248,740</u>	<u>1,247,000</u>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 14. Financial Indicators

	Indicator 2022	Indicators 2021	Indicators 2020
--	-------------------	--------------------	--------------------

#### Financial Indicators overview

These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

#### 1. Operating Surplus Ratio

Operating Surplus	1.2%	(4.3)%	(4.5)%
Total Operating Income			

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

#### 2. Net Financial Liabilities Ratio

Net Financial Liabilities	75%	92%	47%
Total Operating Income			

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.

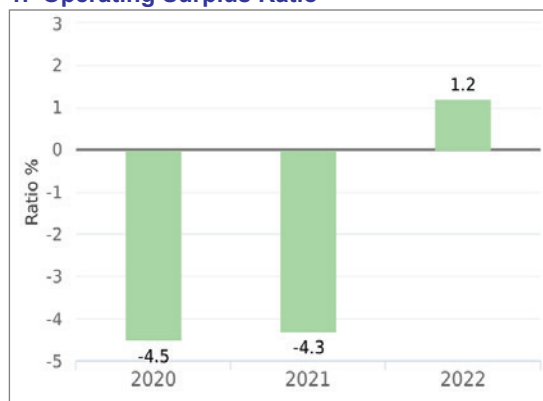
#### 3. Asset Renewal Funding Ratio

Asset Renewals	78%	136%	69%
Infrastructure & Asset Management Plan required expenditure			

Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.

### Financial Indicators - Graphs

#### 1. Operating Surplus Ratio



#### Purpose of operating surplus ratio

This indicator is to determine the percentage the operating revenue varies from operating expenditure

#### Commentary on 2021/22 result

2021/22 ratio 1.2%

The improvement in the operating surplus is a result of the growth in revenue.

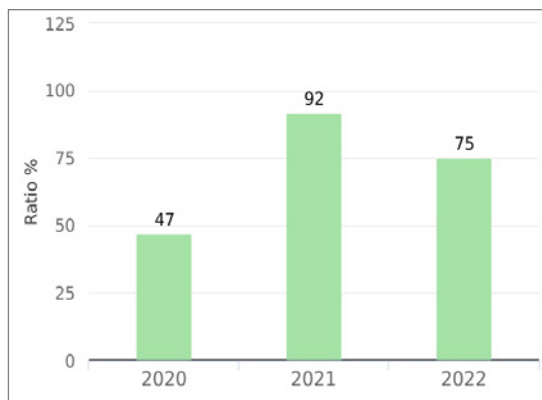
Strong performance in the sale of both burial and memorial interment rights has contributed to revenue growth. Whilst the impact of Government imposed restrictions in response to the COVID-19 pandemic continued to impact some of our service areas, the impact was less than in previous years.

#### 2. Net Financial Liabilities Ratio

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 14. Financial Indicators (continued)

Ratio %	Commentary on 2021/22 result	
	2021/22 ratio	75%
<p>This ratio demonstrates that the Authority's liabilities are within acceptable levels.</p> <p>The Authority does not borrow funds and the reduction in the ratio is a result of increased cash balances.</p>		



#### Purpose of net financial liabilities ratio

This indicator shows the significance of the net amount owed to others, compared to operating revenue

#### Commentary on 2021/22 result

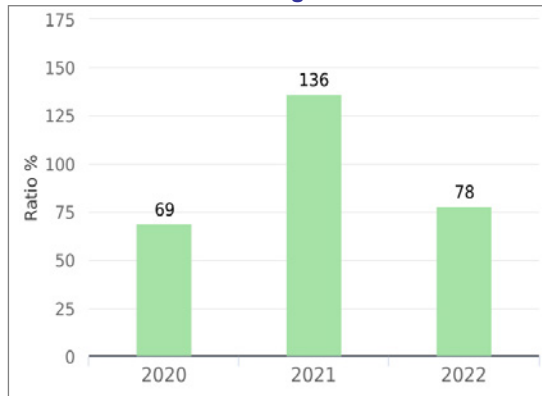
2021/22 ratio 75%

This ratio demonstrates that the Authority's liabilities are within acceptable levels.

The Authority does not borrow funds and the reduction in the ratio is a result of increased cash balances.

### 3. Asset Renewal Funding Ratio

Ratio %	Commentary on 2021/22 result	
	2021/22 ratio	78%
<p>This ratio demonstrates the Authority's capital outlay on renewed assets.</p> <p>Actual results are lower than anticipated due to a number of renewal projects being carried forward into the next financial year as a result of supply chain delays.</p>		



#### Purpose of asset renewal funding ratio

This indicator aims to determine if assets are being renewed and replaced in an optimal way

#### Commentary on 2021/22 result

2021/22 ratio 78%

This ratio demonstrates the Authority's capital outlay on renewed assets.

Actual results are lower than anticipated due to a number of renewal projects being carried forward into the next financial year as a result of supply chain delays.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 15. Uniform Presentation of Finances

\$	2022	2021
----	------	------

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

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

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

Income	11,250,092	9,552,301
less Expenses	(11,115,946)	(9,959,594)
<b>Operating Surplus / (Deficit)</b>	<b>134,146</b>	<b>(407,293)</b>

#### Net Outlays on Existing Assets

Capital Expenditure on Renewal and Replacement of Existing Assets	(1,419,851)	(2,261,397)
add back Depreciation, Amortisation and Impairment	1,912,263	1,642,637
add back Proceeds from Sale of Replaced Assets	34,775	30,000
	<b>527,187</b>	<b>(588,760)</b>

#### Net Outlays on New and Upgraded Assets

Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(395,836)	(3,216,241)
	<b>(395,836)</b>	<b>(3,216,241)</b>

<b>Net Lending / (Borrowing) for Financial Year</b>	<b>265,497</b>	<b>(4,212,294)</b>
---	----------------	--------------------



## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

### 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:

#### (a) Right of use assets

\$	Computer Equipment	Total
<b>2022</b>		
Additions to right-of-use assets	—	—
Depreciation charge	(56,675)	(56,675)
<b>Balance at 30 June</b>	<b>(56,675)</b>	<b>(56,675)</b>
<b>2021</b>		
Additions to right-of-use assets	—	—
Depreciation charge	(56,675)	(56,675)
<b>Balance at 30 June</b>	<b>(56,675)</b>	<b>(56,675)</b>

#### (b) Lease liabilities

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

\$	2022	2021
Balance at 1 July	111,391	169,585
Payments	(58,194)	(58,194)
<b>Balance at 30 June</b>	<b>53,197</b>	<b>111,391</b>
<b>Classified as:</b>		
Current	30,398	58,195
Non Current	22,799	53,196

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 17. Superannuation

---

The Authority makes employer superannuation contributions in respect of its employees to Hostplus Super (formerly Statewide 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 (10.0% in 2021/22; 9.50% in 2020/21). 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 2020/21) 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 Willis Towers Watson as at 30 June 2021. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

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

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 18. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

---

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but knowledge is considered relevant to the users 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. There was a variation to the Burials and Cremations Act relating to Surrender of Interment Rights and the calculation required for refunds, the change capped the unused term at 30 years and came into effect 1 January 2022.

The contingent liability as at the 30th June 2022 is \$8,617,202. 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 7.29% of 44,144 burial interment rights currently issued.

Total unused interment rights account for approximately 9.31% of 33,985 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 Balance Sheet Date

---

Events that occur after the reporting date of 30 June 2022, 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 Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "Authorised for issue" date is 25/08/2022

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 20. Related Party Transactions

#### Key Management Personnel

##### Transactions with Key Management Personnel

The Key Management Personnel of the Authority includes the Board, CEO and senior managers. In all, 13 persons were paid the following total compensation.

\$	2022	2021
<b>The compensation paid to Key Management Personnel comprises:</b>		
Salaries, allowances and other short term benefits	833,122	810,151
<b>Total</b>	<b>833,122</b>	<b>810,151</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

There are no amounts owed to or from Constituent Councils.

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 \$659,257 (2020/21 \$325,721).

### 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 2022 total \$572,268 (2021 \$611,030). 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.



**HEAD OFFICE**

214 Melbourne Street  
North Adelaide SA 5006

PO Box 755  
North Adelaide SA 5006

T: (08) 8267 4777  
[www.deannewbery.com.au](http://www.deannewbery.com.au)

Dean Newbery  
ABN: 30 164 612 890

**INDEPENDENT AUDITOR'S REPORT**

**To the members of the Centennial Park Cemetery Authority**

**Opinion**

We have audited the accompanying financial report of the Centennial Park Cemetery Authority (the Authority), which comprises the Statement of Financial Position as at 30 June 2022, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of the Financial Statements.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards.

**Basis for Opinion**

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

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

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

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Report**

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

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

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

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

**DEAN NEWBERY**



**SAMANTHA CRETEN**

**Partner**

Signed on the 6<sup>th</sup> day of September 2022,  
at 214 Melbourne Street, North Adelaide, South Australia 5006

## General Purpose Financial Statements


for the year ended 30 June 2022

---

### Certification of Auditor Independence

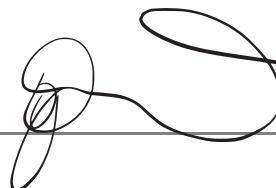
To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Centennial Park Cemetery Authority for the year ended 30 June 2022, the Authority's Auditor, Dean Newberry has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and 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



Todd Davies

Chair, Audit & Risk Committee

Date: 18 August 2022

## General Purpose Financial Statements

for the year ended 30 June 2022

### 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 2022, 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*.



Peter Tsokas

**Chief Executive Officer**

Corporation of the City of Unley

Date: 1/9/2022



General Purpose Financial Statements  
for the year ended 30 June 2022

---

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 2022, 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*.



---

Matthew Pears  
**Chief Executive Officer**  
City of Mitcham

Date:

4.9.22

**HEAD OFFICE**

214 Melbourne Street  
North Adelaide SA 5006

PO Box 755  
North Adelaide SA 5006

T: (08) 8267 4777  
[www.deannewbery.com.au](http://www.deannewbery.com.au)

Dean Newbery  
ABN: 30 164 612 890

**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 2022, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Part 4A, published by the Accounting Professional and Ethical Standards Board, 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 6<sup>th</sup> day of September 2022,  
at 214 Melbourne Street, North Adelaide, South Australia 5006





Infinity,  
Olive Terrace

