

**GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY**

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Dear Member,

**NOTICE OF MEETING**

Notice is hereby given pursuant to Clause 6 of the Charter that a meeting for the GRFMA Audit Committee has been called for:

**DATE:** Tuesday 23 November 2021

**TIME:** 9:30am

**PLACE:** Virtual – MS Teams – refer to calendar invitation for the link



David E Hitchcock

**EXECUTIVE OFFICER**



*The Barossa Council*

**Gawler**



## **AGENDA**

### **GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY AUDIT COMMITTEE MEETING**

**9:30am Tuesday 23 November 2021  
Virtual – MS Teams**

- 1. Present**
- 2. Apologies**
- 3. Minutes of the Previous Meeting** **Page 3**  
Confirmation of the Minutes of the previous GRFMA Audit Committee meeting held on Tuesday 12 August 2021.
- 4. Business Arising from the Minutes**
- 5. General Business**
  - 5.1 Discussion with External Auditor (EO to vacate meeting)** **Page 7**
  - 5.2 Progress Report GRFMA Annual Business Plan 2021-2022** **Page 8**
  - 5.3 GRFMA Budget Review 1** **Page 13**
  - 5.4 Review of GRFMA Policies** **Page 21**
- 6. Next Meeting**  
March 2022
- 7. Closure**

**Agenda Item:**                   **3**  
**Committee:**                   **GRFMA Audit Committee**  
**Meeting Date:**               **23 November 2021**  
**Title:**                         **Minutes of the Previous Meeting**

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**Recommendation:**

**That the minutes of the previous GRFMA Audit Committee meeting held on Thursday 12 August 2021 as per copies supplied to members be adopted as a true and correct record of that meeting.**

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See minutes attached.

## MINUTES

### GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY AUDIT COMMITTEE MEETING

12:30pm Thursday 12 August 2021  
214 Melbourne Street, North Adelaide – Dean Newbery and Partners

#### 1. Present

- Mr Peter Brass, Independent Member, Chair
- Cr Malcolm Herrmann, Adelaide Hills Council
- Mr Greg Pattinson, City of Playford
- Mr David Hitchcock, Executive Officer

#### 2. Apologies

A representative from DNP (external auditor) was unavailable to attend the meeting. In-camera discussion with external auditor will need to be scheduled for the next meeting.

#### 3. Previous Minutes – 8 June 2021

**GAC 21/09 Previous Minutes – GRFMA Audit Committee 8 June 2021**

**Moved: Mr G Pattinson**

**Seconded: Cr M Herrmann**

*That the minutes of the previous GRFMA Audit Committee meeting held on Tuesday 8 June 2021 as per copies supplied to members be adopted as a true and correct record of that meeting.*

**CARRIED UNANIMOUSLY**

#### 4. Business Arising from the Minutes

Nil

#### 5. General Business

##### 5.1 GRFMA 2020/2021 Financial Statements and Audit Completion Report

**GAC 21/10 GRFMA 2020/2021 Financial Statements and Audit Completion Report**

**Moved: Cr M Herrmann**

**Seconded: Mr G Pattinson**

*That the GRFMA Audit Committee:*

1. *Receives and subject to the changes below endorses the audited Financial Statements for 2020/2021 and the external audit completion report.*
  - a) *Amendment of Page 1 of the Financial Statements to the title: "Schedule of Profit and Loss and Comprehensive income".*
  - b) *Amendment of Page 9 Note 5 Contractual Services by adding "Independent Presiding Member" to Audit Committee.*
  - c) *Amendment to Page 9, Note 7 - Expenditure Commitment by removing the "I" at before commencement of the paragraph.*

- d) *Amendment of Page 10 Note 8 - Reconciliation Statement of Cash Flows by removing the items \$000 for years 2021 and 2020 and replacing with \$ for each year.*
  - e) *Review of Page 10 Note 8 Reconciliation Statement of Cash Flow Balances per Cash Flow Statement figures (2021) \$196,235 and (2020) \$230,300 so as to understand how they reconcile with Page 4 of the Financial Statements Cash & cash equivalents at end of period (2021) 169,344 and (2020) 151,764.*
  - f) *Further advice of the External Auditor as to the merits or otherwise of including an additional section to Note1 indicating that the GRFMA is exempt from income tax and is liable for Goods & Services tax.*
2. *Subject to receipt of the letter of auditor independence from Dean Newbery and Partners, approves the 'Certification of Auditor Independence' to be signed by the Audit Committee Chair and Executive Officer.*
  3. *Recommends that the 'Certification of Auditor Independence' also be signed by the Chief Executive Officer of each Constituent Council.*

**CARRIED UNANIMOUSLY**

## 5.2 GRFMA Annual Report

### **GAC21/11 GRFMA Annual Report**

**Moved: Mr G Pattinson**

**Seconded: Cr M Herrmann**

*That the GRFMA Audit Committee receives and notes the GRFMA 2020-21 Annual Report as amended and recommends adoption by the GRFMA Board.*

**CARRIED UNANIMOUSLY**

The Executive Officer noted receipt of email on 12 August 2021 from the CEO of the Barossa Council regarding impairment and ownership of assets as they might apply to the Barossa Council.

The meeting determined to consider the matter on notice and to seek further comment from the GRFMA External Auditor before responding.

The Chair recommended a copy of the 2021 Management Representation Letter be provided to the Board together with the 2020-21 Financial Statements and Audit Completion Report.

## 6. Next Meeting

Preferred dates of either 22 or 23 November 2021

<b>Date</b>	<b>Audit Committee meeting schedule 2021/2022</b>	<b>Action</b>
March 2021	Annual Budget and Business Plan Review; External Audit Plan and Schedule 2021.	Completed
June 2021	Annual cost estimates and budget variations consideration.	Completed
August 2021	Annual Financial Statements – Audit report; 2020/2021 – Auditor to attend.	Completed Auditor did not attend

Date	Audit Committee meeting schedule 2021/2022	Action
November 2021	In-camera discussion with external auditor. Operation of the Regional Subsidiary – Business Plan progress. Annual cost estimates and budget variations consideration.	

## 7. Closure

The Chair thanked the members for their attendance and contributions and closed the meeting at 1:18pm.

Chair \_\_\_\_\_ Date \_\_\_\_\_

**Agenda Item:**                   **5.1**  
**Committee:**                   **GRFMA Audit Committee**  
**Meeting Date:**               **23 November 2021**  
**Title:**                         **Discussion with External Auditor**

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**Recommendation:**

**That the GRFMA Audit Committee meeting notes comments and discussion with Mr Jim Keogh of Dean Newbery and Partners regarding the 2020-2021 GRFMA External Audit process.**

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At the 12/08/2021 GRFMA Audit Committee meeting members requested that provision be made at the November 2021 Audit Committee Meeting for In-camera discussion with the external auditor.

Mr Jim Keogh and Ms Whitney Sandow will be available via MS Teams to participate in the discussion as it relates to the 2020-2021 GRFMA External Audit.

GRFMA Executive Officer, Mr D Hitchcock, will withdraw from the meeting during the relevant discussion.

**Agenda Item: 5.2****Committee: GRFMA Audit Committee****Meeting Date: 23 November 2021****Title: Progress Report GRFMA Annual Business Plan 2021 -2022****Recommendation:****That the GRFMA Audit Committee receives the progress report of the GRFMA Business Plan 2021-2022.**

The table below provides an update on progress of achievements for the GRFMA Business Plan 2021-2022. A report is to be provided to the 9 December 2021 GRFMA Board meeting.

**Evaluation of Performance Against the 2021-2022 Business Plan****Part A: Funding**

<b>Performance Targets:</b>	<b>Timings:</b>	<b>To be measured By:</b>	<b>Actual Achievements</b>
Grant Claims	At all times	Lodge claims monthly for the payment of Commonwealth and State Government Grants.	<input checked="" type="checkbox"/> <b>Claims lodged according to grant conditions</b>
Maintain positive Cash Flow	At all times	Positive bank account balances at all times.	<input checked="" type="checkbox"/> <b>Positive cash flow maintained</b>

**Part B: Proposed Flood Mitigation Scheme Works**

<b>South Para Works Completed 2012</b>
<b>Gawler River Flood Mitigation Scheme</b>



One	What will the Mark Two Scheme Include? (Note these steps may occur concurrently and not necessarily in the following order)
Two	<p>Reconfirm with the Constituent Councils that a 1 in 100-year level of protection is the protection standard that is to be pursued in the development of the Gawler River Flood Mitigation Scheme - Mark Two Strategy. N.B. The protection standard does not guarantee full protection for all flood events. <b><i>The Findings Report 2016 advises the 1 in 100 ARI event is considered to be the minimum desirable level of flood protection for new development as well as for much of the existing floodplain development.</i></b></p> <ul style="list-style-type: none"> <li>Determine if a second dam on the North Para River or modification to the Bruce Eastick North Para Flood Mitigation Dam is an option. The GRFMA Board has recently accepted a tender for a Findings Report to undertake an assessment to determine if a second dam is required and feasible. <b><i>The Findings Report 2016 advised enlarging the existing Bruce Eastick North Para Flood Mitigation Dam on the North Para offers the greatest level of protection with least impacts and is rated as the most favoured structural mitigation option. This option deferred pending completion of the Gawler River Stormwater Management Plan. Noting feasibility of raising the height of the Bruce Eastick Dam is still a strategic consideration.</i></b></li> </ul>
Three	The Gawler River Floodplain Mapping Model should be maintained as the reference tool to demonstrate the level of flood protection and validity of design of land proposed for development as part of the approval process. To achieve this, the model should be upgraded to include recent works such as the Northern Expressway works and the additional floodplain mapping completed as part of the Light River Templers Creek Salt Creek Mapping Study by the Adelaide Plains Council. <b><i>Completed.</i></b>
Four	To further develop the preliminary assessment of possible local area levees prepared in the 2008 Gawler River Floodplain Mapping Study at Gawler, Angle Vale and Two Wells and develop a levee strategy for Virginia to a robust design standard with a staging plan. Undertake a cost benefit study for each stage of the plan. <b><i>This option deferred pending completion of the Gawler River Stormwater Management Plan</i></b>
Five	Establish a protocol with the Floodplain Councils that where development of land in areas identified as 'at risk of flooding' is planned to proceed by the implementation of a local area levee that mapping of the proposed levees on the Gawler River Floodplain Mapping Study Model will be required. <b><i>It is anticipated the Gawler River Unharmful Mitigation Project will contribute to understanding of this issue and relevant strategies.</i></b>
Six	Maintain a working relationship with the Australian Rail Track Corporation to ensure that any changes to Railtrack infrastructure of culverts and rail heights are mapped on the Gawler River Floodplain Mapping Study Model to identify any changes to flooding impacts. <b><i>Ongoing - new modifications to the trail bridge completed November 2020.</i></b>
Seven	Develop a funding strategy for flood protection that is delivered by local area levees on the questions of who should own and maintain the levees and whether local area levees are regional works that the GRFMA should fund or are they local works that are the responsibility of the local Council. <b><i>This option deferred pending completion of the Gawler River Stormwater Management Plan.</i></b>
Eight	Investigate opportunities for funding partners and grants to undertake the necessary assessments and designs. <b><i>Ongoing.</i></b>
Nine	The Scheme will also seek to clarify, through the Local Government Association, the policy and legal framework around maintenance of rivers and creeks where those rivers and creeks are part of the regional flood management plan. Under current legislation a landowner is responsible for the condition of a creek or waterway on private land. <b><i>The Department for Environment and Water has recently receive funding to undertake a project to consider this issues and the GRFMA will be a participant.</i></b>

**Part B: Maintenance of the Scheme**

<b>Performance Targets:</b>	<b>Timings:</b>	<b>To be measured By:</b>	<b>Actual Achievements</b>
Six monthly inspection	June and December	Completion of Inspection Report	<input checked="" type="checkbox"/> <b>O&amp;M manual in operation</b> <input checked="" type="checkbox"/> <b>Dam Safety Emergency Plan in operation</b> <input checked="" type="checkbox"/> <b>Periodic visual inspection of the Dam and surrounds maintained</b> <input checked="" type="checkbox"/> <b>Maintenance repair requirements identified and actioned.</b>

**Part C: Operation of the Regional Subsidiary**

<b>Performance Targets:</b>	<b>Timings:</b>	<b>To be measured By:</b>	<b>Actual Achievements</b>
Reports to Stakeholders	Bi-Monthly	Key Outcomes Summary to be published following each Board Meeting	<input checked="" type="checkbox"/> <b>Key Outcomes Summary prepared following GRFMA meetings</b>
Maintain effective Regional Subsidiary	December	The performance of the Executive Officer be reviewed annually Charter Review	<input checked="" type="checkbox"/> <b>Review conducted in October 2021 with GRFMA resolution endorsing a further 2 year contract renewal (01 Jan 2022- 31 Dec 2023)</b> <input checked="" type="checkbox"/> <b>GRFMA Charter Review( 2<sup>nd</sup> stage) report completed.</b> x <b>Consultation with constituent councils and funding model pending</b>
	August	The appointment of Auditor, Bank Operators, levels of insurance, appropriate registrations, delegations and policies be reviewed annually.	<input checked="" type="checkbox"/> <b>New External Auditor 2019-2024 appointed June 2019</b> <input checked="" type="checkbox"/> <b>Appropriate levels of insurance reviewed in July 2021</b>
Review of the Business Plan	By 31 <sup>st</sup> March	Review the Business Plan prior to preparing the Budget Forward to the Councils	<input checked="" type="checkbox"/> <b>June 2021-2022– Business Plan adopted</b> <input checked="" type="checkbox"/> <b>June 2021– Achievements against the Business Plan 2020-2021 presented</b>

Annual Budget	By 31 <sup>st</sup> March, June, October, December	Adopt for consultation forward to Councils- Adopt Budget – copy to Councils in 5 days- Conduct Budget Reviews	<input checked="" type="checkbox"/> <b>March 2021 – Council consultation</b> <input checked="" type="checkbox"/> <b>Budget 2021 - 2021 adopted at June 2021 Board meeting</b>
Subscriptions	June December	Send half year subscriptions to Council	<input checked="" type="checkbox"/> <b>All first half subscriptions paid</b> <b>Second half subscriptions to be sent December 2021</b>
Report to Constituent Councils	Following each Board meeting By 30 <sup>th</sup> September	The receipt of the following reports by Councils, Board Meeting Key Outcome Summary Annual Report including Annual Financial Statements	<input checked="" type="checkbox"/> <b>Key Outcomes Summary prepared following meetings</b> <input checked="" type="checkbox"/> <b>Annual Report forwarded electronically to Councils.</b>
Governance	Ongoing	Policies and new management framework documents developed and reviewed	<input checked="" type="checkbox"/> <b>2021 Periodic Policy review tabled 22/11/21 GRFMA Audit Committee</b> <b>X Strategic Plan, Asset Management Plan and Long Term Financial Plan to be developed</b>
Annual Operations		<p>Continuation of the revegetation program around land associated with the Bruce Eastick North Para Flood Mitigation Dam.</p> <p>Scheduled inspections and environmental management of land associated with the Dam Location.</p> <p>Routine (monthly), Intermediate (annually), Comprehensive (every 5 years due 2022/2023).</p> <p>Completion of the GRFMA Charter Review 2</p>	<input checked="" type="checkbox"/> <b>Endorsed and working in conjunction with Light Regional Council.</b>  <input checked="" type="checkbox"/> <b>Periodic inspections GRFMA officer level</b>  <input checked="" type="checkbox"/> <b>Annual land management lease in place</b>  <b>X Draft report completed- finalisation pending further consultation with constituent councils on funding model.</b>

		<p>Completion of the Gawler River Stormwater Management Plan.</p> <p>Completion of the GRFMA Strategic Plan.</p> <p>Establishment of the Long Term Financial Plan, and Asset Management Plan.</p> <p>Subject to the outcomes of the Gawler River Stormwater Management Plan, continue the advocacy program to secure funding for the Northern Floodway project.</p> <p>Engagement and partnership with the State Government to deliver the \$9 Million for Gawler River flood mitigation works.</p> <p>Completion of identified repairs to the Bruce Eastick North Para Flood Mitigation Dam.</p>	<p><b>X In progress completion due April 2022</b></p> <p><b>X Draft report completed- finalisation pending further consultation with constituent councils.</b></p> <p><b>X Not yet commenced, pending completion of the GRFMA Strategic Plan</b></p> <p><b>On hold pending completion of the Gawler River Stormwater Management Plan.</b></p> <p><input checked="" type="checkbox"/> <b>In progress</b></p> <p><input checked="" type="checkbox"/> <b>In progress - tenders finalised repairs scheduled to commence 03/01/2022</b></p>
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<b>Agenda Item:</b>	<b>5.3</b>
<b>Committee:</b>	<b>GRFMA Audit Committee</b>
<b>Meeting Date:</b>	<b>23 November 2021</b>
<b>Title:</b>	<b>GRFMA Budget Review 1</b>

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**Recommendation:**

**That the GRFMA Audit Committee:**

- 1. Notes Nil changes proposed for Budget Review 1; and**
  - 2. Recommends the document be presented to the GRFMA Board for consideration and adoption.**
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**Budget Review 1**

*Regulation 9 of Local Government (Financial Management) Regulations 2011 states:*

*'A report showing a revised forecast of its operating and capital investment activities for the relevant financial year compared with the estimates for those activities set out in the budget presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances'.*

The Profit and Loss Budget Analysis as at 31 October 2021 identifies no material change to the adopted GRFMA 2021-2022 Budget.

There are some minor fluctuations between forecast expenditure / income against actual for the period to 31 October, however, in context of the overall 2021-2022 financial year budget estimations, these items do not merit change at this time.

Budget Review 2 will provide a more considered observation of any required amendments.

Notably anticipated commencement of repairs to the Bruce Eastick North Para Flood Mitigation Dam, which will include costs as per the final contract agreements and receipt of financing funds from LGFA.

This current 2021-2022 GRFMA Budget provides

○ Total Income	\$261,852
○ Minus total expenses	<u>\$583,015</u>
○ Net loss	(\$321,163)

GRFMA policy is to not fund (cash) depreciation on the Bruce Eastick North Para Flood Mitigation Dam (\$321,163) which effects a forecast 2020/2021 cash deficit of (\$321,163).

**GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY  
CONSOLIDATED BUDGET 2021/2022 REVIEW 1**

**UNIFORM PRESENTATION OF FINANCES**

<b>2020/2021 FULL YEAR ACTUALS</b>		<b>2021/2022 BUDGET</b>	<b>2021/2022 BUDGET</b>
<b>\$</b>		<b>\$</b>	<b>\$</b>
217,344	Operating Revenues	266,652	266,652
(498,698)	less Operating Expenses	(587,815)	(587,815)
<u>(281,354)</u>	<b>Operating Surplus / (Deficit) before Capital Amounts</b>	<u>(321,163)</u>	<u>(321,163)</u>
	<b>Less Net Outlays in Existing Assets</b>		
	Capital Expenditure on renewal and replacement of Existing Assets	-	-
(321,163)	less Depreciation, Amortisation and Impairment	(321,163)	(321,163)
<u>-</u>	less Proceeds from Sale of Replaced Assets	<u>-</u>	<u>-</u>
<u>(321,163)</u>		<u>(321,163)</u>	<u>(321,163)</u>
	<b>Less Net Outlays on New and Upgraded Assets</b>		
-	Capital Expenditure on New and Upgraded Assets	-	-
-	less Amounts received specifically for New and Upgraded Assets	-	-
<u>-</u>	less Proceeds from Sale of Surplus Assets	<u>-</u>	<u>-</u>
<u>-</u>		<u>-</u>	<u>-</u>
39,809	<b>Net Lending / (Borrowing) for Financial Year</b>	-	-



**GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY  
CONSOLIDATED BUDGET 2021/2022 REVIEW 1**

**STATEMENT OF CHANGES IN EQUITY**

<b>2020/2021 FULL YEAR ACTUALS \$</b>		<b>2021/2022 BUDGET \$</b>	<b>2021/2022 BUDGET BUDGET \$</b>
	<b>ACCUMULATED SURPLUS</b>		
13,471,111	Balance at end of previous reporting period	13,080,562	13,189,757
(281,354)	Net Result for Year	(321,163)	(321,163)
0	Transfer From Reserves	0	0
0	Transfer To Reserves	0	0
<b>13,189,757</b>	<b>BALANCE AT END OF PERIOD</b>	<b>12,759,399</b>	<b>12,868,594</b>
	<b>ASSET REVALUATION RESERVE</b>		
8,681,973	Balance at end of previous reporting period	8,681,973	8,681,973
0.00	Gain on revaluation of infrastructure, property, plant & equipment	0.00	0.00
0.00	Transfer to Accumulated Surplus on sale of infrastructure, property, plant & equipment	0.00	0.00
<b>8,681,973</b>	<b>BALANCE AT END OF PERIOD</b>	<b>8,681,973</b>	<b>8,681,973</b>
<b>21,871,730</b>	<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>21,441,372</b>	<b>22,043,187</b>

**GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY  
CONSOLIDATED BUDGET 2021/2022 REVIEW 1**

**BALANCE SHEET**

<b>2020/2021 FULL YEAR ACTUALS</b>		<b>2021/2022 BUDGET</b>	<b>2021/2022 BUDGET BUDGET</b>
	<b>ASSETS</b>		
<b>\$</b>	<b>CURRENT ASSETS</b>	<b>\$</b>	<b>\$</b>
169,344	Cash and cash equivalents	71,248	169,344
49,278	Trade & other receivables	1,612	49,278
-	Inventories	-	-
<u>218,622</u>	<b>TOTAL CURRENT ASSETS</b>	<u>72,860</u>	<u>218,622</u>
	<b>NON-CURRENT ASSETS</b>		
-	Financial Assets	-	-
21,689,675	Infrastructure, Property, Plant & Equipment	21,368,512	21,368,512
<u>21,689,675</u>	<b>TOTAL NON-CURRENT ASSETS</b>	<u>21,368,512</u>	<u>21,368,512</u>
<u>21,908,297</u>	<b>TOTAL ASSETS</b>	<u>21,441,372</u>	<u>21,587,134</u>
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
36,567	Trade & Other Payables	-	36,567
-	Borrowings	-	-
-	Short-term Provisions	-	-
<u>36,567</u>	<b>TOTAL CURRENT LIABILITIES</b>	<u>-</u>	<u>36,567</u>
	<b>NON-CURRENT LIABILITIES</b>		
-	Long-term Borrowings	-	-
-	Long-term Provisions	-	-
<u>-</u>	<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>-</u>	<u>-</u>
<u>36,567</u>	<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>36,567</u>
<u>21,871,730</u>	<b>NET ASSETS</b>	<u>21,441,372</u>	<u>21,550,567</u>
	<b>EQUITY</b>		
13,189,757	Accumulated Surplus	12,759,399	12,868,594
8,681,973	Asset Revaluation	8,681,973	8,681,973
-	Other Reserves	-	-
<u>21,871,730</u>	<b>TOTAL EQUITY</b>	<u>21,441,372</u>	<u>21,550,567</u>



**GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY  
CONSOLIDATED BUDGET 2021/2022 REVIEW 1**

**CASH FLOW STATEMENT**

<b>2020/2021 FULL YEAR ACTUALS</b>		<b>2021/2022 BUDGET</b>	<b>2021/2022 BUDGET BUDGET</b>
\$		\$	\$
Inflows		Inflows	Inflows
(Outflows)		(Outflows)	(Outflows)
	<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
	<b>RECEIPTS</b>		
199,195	Operating Receipts	266,052	266,052
1,023	Investment Receipts	600	600
	<b>PAYMENTS</b>		
(182,638)	Operating payments to suppliers & employees	(266,652)	(266,652)
-	Finance Payments	-	-
17,580	<b>Net Cash provided by (or used in) Operating Activities</b>	-	-
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	<b>RECEIPTS</b>		
-	Grants specifically for new or upgraded assets	-	-
0	Sale of Assets	0	0
	<b>PAYMENTS</b>		
-	Capital Expenditure on renewal/replacement of assets	-	-
-	Capital Expenditure on new/upgraded assets	-	-
-	<b>Net Cash provided by (or used in) Investing Activities</b>	-	-
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	<b>RECEIPTS</b>		
-	Proceeds from Borrowings	-	-
	<b>PAYMENTS</b>		
-	Repayment of Borrowings	-	-
-	<b>NET CASH USED IN FINANCING ACTIVITIES</b>	-	-
17,580	<b>NET INCREASE (DECREASE) IN CASH HELD</b>	-	-
151,764	<b>CASH AT BEGINNING OF YEAR</b>	71,248	169,344
<u>169,344</u>	<b>CASH AT END OF YEAR</b>	<u>71,248</u>	<u>169,344</u>

**GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY  
CONSOLIDATED BUDGET 2021/2022 REVIEW 1**

**STATEMENT OF COMPREHENSIVE INCOME**

<b>2020/2021 FULL YEAR ACTUALS \$'000</b>	<b>INCOME</b>	<b>2021/2022 BUDGET \$'000</b>	<b>2021/2022 BUDGET BUDGET \$'000</b>
196,235	Subscriptions	266,052	266,052
20,000	Grants Subsidies and Contributions	-	-
1,009	Investment Income	600	600
100	Other	-	-
<hr/>		<hr/>	<hr/>
217,344	<b>TOTAL REVENUES</b>	266,652	266,652
	<b>EXPENSES</b>		
177,535	Materials, Contracts and Other Expenses	266,652	266,652
-	Finance Costs	-	-
321,163	Depreciation, amortisation & impairment	321,163	321,163
<hr/>		<hr/>	<hr/>
498,698	Total Expenses	587,815	587,815
	<b>OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS</b>		
(281,354)		(321,163)	(321,163)
-	Net gain (loss) on disposal or revaluation of assets	-	-
-	Amounts specifically for new or upgraded assets	-	-
-	Physical resources received free of charge	-	-
<hr/>		<hr/>	<hr/>
<b>(281,354)</b>	<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(321,163)</b>	<b>(321,163)</b>

**Profit & Loss [Budget Analysis]**

July 2021 To June 2022

ABN: 12 925 534 861

Email: [davidehitchcock@bigpond.com](mailto:davidehitchcock@bigpond.com)

	Selected Period	Budgeted	\$ Difference
<b>Income</b>			
Admin of GRFMA			
Member Subscriptions	\$88,026	\$176,052	(\$88,026)
Interest LGFA	\$748	\$600	\$148
<b>Total Admin of GRFMA</b>	<b>\$88,774</b>	<b>\$176,652</b>	<b>(\$87,878)</b>
Operations Flood Mit Scheme			
Council Subscriptions	\$42,602	\$85,200	(\$42,598)
<b>Total Operations Flood Mit Scheme</b>	<b>\$42,602</b>	<b>\$85,200</b>	<b>(\$42,598)</b>
<b>Total Income</b>	<b>\$131,376</b>	<b>\$261,852</b>	<b>(\$130,476)</b>
<b>Gross Profit</b>	<b>\$131,376</b>	<b>\$261,852</b>	<b>(\$130,476)</b>
<b>Expenses</b>			
Admin of GRFMA			
Executive Officer Contract	\$19,836	\$55,000	(\$35,164)
Adv, printing, stationery post	\$104	\$1,200	(\$1,096)
Travelling Expenses	\$128	\$4,000	(\$3,872)
Insurance PL & PI	\$3,367	\$6,732	(\$3,365)
Audit Committee	\$650	\$2,600	(\$1,950)
Audit Fees	\$5,188	\$5,500	(\$312)
Bank Fees	\$18	\$120	(\$102)
Legal Fees	\$0	\$2,000	(\$2,000)
Honorary - Chairperson	\$4,000	\$8,500	(\$4,500)
Other	\$1,795	\$6,000	(\$4,205)
<b>Total Admin of GRFMA</b>	<b>\$35,086</b>	<b>\$91,652</b>	<b>(\$56,566)</b>
Gawler River Scheme Mark 2			
Consultancies	\$60,299	\$85,000	(\$24,701)
<b>Total Gawler River Scheme Mark 2</b>	<b>\$60,299</b>	<b>\$85,000</b>	<b>(\$24,701)</b>
Maint Flood Mitigation Scheme			
Maintenance Contractors	\$1,950	\$15,000	(\$13,050)
Rates & Levies	\$126	\$200	(\$74)
<b>Total Maint Flood Mitigation Scheme</b>	<b>\$2,076</b>	<b>\$15,200</b>	<b>(\$13,124)</b>
Depreciation			
Depreciation	\$0	\$321,163	(\$321,163)
<b>Total Expenses</b>	<b>\$97,461</b>	<b>\$513,015</b>	<b>(\$415,554)</b>
<b>Operating Profit</b>	<b>\$33,916</b>	<b>(\$251,163)</b>	<b>\$285,079</b>
<b>Total Other Income</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Other Expenses			
Interest Expense	\$0	\$70,000	(\$70,000)
<b>Total Other Expenses</b>	<b>\$0</b>	<b>\$70,000</b>	<b>(\$70,000)</b>
<b>Net Profit/(Loss)</b>	<b>\$33,916</b>	<b>(\$321,163)</b>	<b>\$355,079</b>



**Profit & Loss [Budget Analysis]**

July 2021 To November 2021

266 Seacombe Road  
Seacliff Park SA 5049ABN: 12 925 534 861  
Email: [davidehitchcock@bigpond.com](mailto:davidehitchcock@bigpond.com)

	Selected Period	Budgeted	\$ Difference
<b>Income</b>			
Admin of GRFMA			
Member Subscriptions	\$88,026	\$88,026	\$0
Interest LGFA	\$748	\$250	\$498
Total Admin of GRFMA	\$88,774	\$88,276	\$498
Operations Flood Mit Scheme			
Council Subscriptions	\$42,602	\$42,600	\$2
Total Operations Flood Mit Scheme	\$42,602	\$42,600	\$2
Total Income	\$131,376	\$130,876	\$500
Gross Profit	\$131,376	\$130,876	\$500
<b>Expenses</b>			
Admin of GRFMA			
Executive Officer Contract	\$19,836	\$22,800	(\$2,964)
Adv, printing, stationery post	\$104	\$500	(\$396)
Travelling Expenses	\$128	\$2,000	(\$1,872)
Insurance PL & PI	\$3,367	\$1,683	\$1,684
Audit Committee	\$650	\$650	\$0
Audit Fees	\$5,188	\$5,500	(\$312)
Bank Fees	\$18	\$50	(\$32)
Legal Fees	\$0	\$1,000	(\$1,000)
Honorarium - Chairperson	\$4,000	\$3,800	\$200
Other	\$1,795	\$2,500	(\$705)
Total Admin of GRFMA	\$35,086	\$40,483	(\$5,397)
Gawler River Scheme Mark 2			
Consultancies	\$60,299	\$75,000	(\$14,701)
Total Gawler River Scheme Mark 2	\$60,299	\$75,000	(\$14,701)
Maint Flood Mitigation Scheme			
Maintenance Contractors	\$1,950	\$0	\$1,950
Rates & Levies	\$126	\$200	(\$74)
Total Maint Flood Mitigation Scheme	\$2,076	\$200	\$1,876
Total Expenses	\$97,461	\$115,683	(\$18,222)
Operating Profit	\$33,916	\$15,193	\$18,723
Total Other Income	\$0	\$0	\$0
Total Other Expenses	\$0	\$0	\$0
Net Profit/(Loss)	\$33,916	\$15,193	\$18,723

<b>Agenda Item:</b>	<b>5.4</b>
<b>Committee:</b>	<b>GRFMA Audit Committee</b>
<b>Meeting Date:</b>	<b>23 November 2021</b>
<b>Title:</b>	<b>Review of GRFMA Policies</b>

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**Recommendation:**

**That the GRFMA Audit Committee:**

- 1. Receives the 2021 review the of the Following GRFMA Policies and recommends adoption of the following policies by the GRFMA Board:**
    - **Access to meetings and Documents;**
    - **Internal Review of Decisions;**
    - **Procurement and Operations;**
    - **Dam Valuation;**
    - **Public Consultation; and**
    - **Treasury Management**
  - 2. Recommends the GRFMA Board seek relevant legal advice, in consideration of adoption of a Public Interest Disclosure Policy and Fraud and Corruption policy:**
    - a) Whether it would be appropriate to have a responsible officer for each or either policy; and**
    - b) Subsequently what provisions might the GRFMA be required to consider in appointing a Responsible Officer pursuant to the above policies.**
- 

GRFMA Policies are required to be reviewed biennially (every two years).

The last review was undertaken in December 2019 and the following policies were endorsed:

- Access to meetings and Documents;
- Internal Review of Decisions;
- Procurement and Operations;
- Dam Valuation;
- Public Consultation; and
- Treasury Management

At the GRFMA Audit Committee meeting on 12 February 2020, the Executive Officer advised that a draft (new) Public Interest Disclosure Policy had been prepared and noted the GRFMA does not have a Fraud and Corruption policy.

The committee subsequently resolved (GAC20/2):

*That the GRFMA Audit Committee recommends the Executive Officer develop a Fraud and Corruption Policy for consideration.*

The 10 March 2021 GRFMA Audit Committee meeting in further discussing Public Interest Disclosure and Fraud and Corruption Polices, noted the Authority does not have any employees. This requires all administrative functions and directions of the Authority (Board) to be undertaken by the Executive Officer who is retained via a contract for part time service (ie a consultancy).

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In this instance the GRFMA Executive Officer could reasonably experience conflict with undertaking the required duties of Responsible Officer as well as Executive Officer (being the only executive, administrative and contact person).

The Audit committee had received subsequent support and offer from a constituent council for one of their relevant Responsible Officers to undertake roles and responsibilities required, subject to it being legally achievable under the PID Act and generally for relevant GRFMA Fraud and Corruption Policies.

Legal advice was sought pursuant to the LGA SA Legal Connect program, in relation to appointment of a Responsible Officer pursuant to Public Interest Disclosure Act 2018 and Fraud and Corruption Policies.

### **The Questions**

1. Is the Gawler River Floodplain Management Authority able to appoint a governance officer from a constituent council to undertake the duties of a responsible officer, pursuant to the Public Interest Disclosure Act 2018 and required GRFMA Fraud and Corruption Policies notwithstanding that person would not be an employee or officer of the Authority.

Should advice be that the GRFMA is able to appoint a responsible officer as in 1 above:

2. What extent of delegation to act and to report on any disclosures, regarding GRFMA EO conduct, to the Chair of the Audit Committee and/or Chair of the Board, would be required?
3. How might the findings of investigations and the changes to operating arrangements (in response to investigation findings) be accommodated.

Response from the legal advisors provided:

*I believe the GRFMA is not required to have a responsible officer under the PID Act. I will consider and confirm for the purposes of the advice you have sought but if it is the case that the GRFMA is not required to have a responsible officer would you still like advice on whether it would nonetheless be appropriate to have one and if so address the questions you have asked. The cost estimate for the advice is \$1800 plus gst. I will wait to hear back from you.*

The meeting subsequently resolved:

Responsible Officer – GRFMA Policies GAC21/05

*That the GRFMA Audit Committee:*

1. *Notes the report.*
2. *Revisit the matters relating to GRFMA Responsible Officer requirements at the time of the next scheduled GRFMA Policy review process.*

At this time the GRFMA has neither a Public Interest Disclosure Policy or a Fraud and Corruption policy.

A review of the following existing GRFMA policies has been undertaken (November 2021) and subject to comment from Audit Committee Members it is recommended they be adopted without change

**Policy Review recommendations**

<b>Policy Name</b>	<b>Extent of review</b>	<b>Comments</b>	<b>Action</b>
Access to meetings and Documents	No Change	Adopt unchanged	Recommend adoption.
Internal Review of Decisions	No Change	Adopt unchanged	Recommend adoption.
Procurement and Operations	No Change	Adopt unchanged	Recommend adoption.
Dam Valuation	No Change	Adopt unchanged	Recommend adoption.
Public Consultation	No Change	Adopt unchanged	Recommend adoption.
Treasury Management	No Change	Adopt unchanged	Recommend adoption.
<i>Public Interest Disclosure Policy</i>	<i>Further deliberation by the GRFMA Audit Committee Required</i>		<i>See Agenda Report 5.4 Recommendation</i>
<i>Fraud and Corruption policy</i>	<i>Further deliberation by the GRFMA Audit Committee Required</i>		<i>See Agenda Report 5.4 Recommendation</i>

Copies of the current (no change) policies are available at [www.gawler.sa.gov.au/grfma](http://www.gawler.sa.gov.au/grfma).