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**Government  
of South Australia**

# WEST BEACH TRUST 2020-21 Annual Report

**WEST BEACH TRUST**

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Date presented to Minister: 30 September 2021

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To:

**Hon Vickie Chapman MP**  
Deputy Premier  
Attorney General  
Minister for Planning and Local Government

This annual report will be presented to Parliament to meet the statutory reporting requirements of (*insert relevant acts and regulations*) and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the West Beach Trust by:

**Kate Anderson**  
**Chief Executive Officer**  
**West Beach Trust**

Date: 22 September 2021

Signature: 

## From the Chair



Dear Minister,

Like accommodation, leisure and hospitality businesses all over the world, West Beach Parks has not been immune to the dramatic changes in travel and recreational behaviour brought about by the global COVID-19 pandemic.

Whilst there was a reduction in activity during the start of the financial year, we experienced an increase in trading in the second half. We have also been able to focus on progress of our long term strategic goals to ensure the sustainability of the West Beach Trust and delivery of high quality visitor experiences.

### **Strategic investment**

Investment in the improvement of our facilities continued throughout the year, ensuring our products remain popular, relevant and competitive.

The focus for the 2020-21 year was on upgrading the former Resort into the newly named Retreat. As part of this re-vitalisation, we completed the construction of seven cabins, three safari tents and a nature playground. The entry statement and Reception foyer to the Retreat were also upgraded in line with the Retreat Master Plan.

This strategic investment continued our focus on clearly differentiating our two accommodation properties, providing customised experiences to targeted clientele. The Holiday Park provides a wide range of affordable accommodation options including caravan, camping sites and cabins while the Retreat offers spacious family villa accommodation.

### **Part of the community**

As part of our West Beach Trust Charter, we are committed to supporting the community through improvements within our Precinct. This year, upgrades to the sand dunes have been extensive with long term erosion control works undertaken. We worked closely with the Department of Environment and Water (DEW) in the major sand carting project at West Beach. Capital works to replace the pontoon hinges and support boards at the West Beach Parks Boat Harbour along with improved directional signage and a new stormwater system, have made the facility more user friendly.

COVID-19 necessarily reduced the number of public events in 2020-21 but we were still able to host the ever-popular Bay to Birdwood and the SAPSASA and AFL school sport carnivals on the Barratt Reserve.

### **Golf popularity**

The increasing interest in golf during the pandemic has been a national phenomenon and West Beach Parks has been one of the beneficiaries. We have seen a substantial growth in round numbers on both courses and a \$582K (20%) increase in revenue from green fees, retail purchases and golf cart hire.

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To ensure we continue to offer a contemporary and engaging golfing facility, we have upgraded the driving range and greens and made further improvements to the Pro Shop during the year.

**Customer experience**

Building on our customer research in 2019-20, we introduced our Customer Experience Strategy this year.

Initiatives included the appointment of a Customer Experience Manager, the provision of customer experience training to all team members including delivery of the new West Beach Parks Customer Promise, placing new destination collateral in all cabins and improving the check-in process.

We will continue to seek ways to deliver a more personalised guest experience at West Beach Parks to heighten our competitive advantage.

**Environmentally active**

As the custodian of a sensitive stretch of our state's coastline we are very aware of our environmental responsibilities and continue to act on the recommendations outlined in the *Environmental Sustainability Plan*.

Our focus this year has been working with the Department of Environment and Water (DEW) on the West Beach sand dune replenishment project. In particular, we have installed 440 metres of drift fencing on the sand dunes to prevent erosion and in the coming months, 250,000 cubic metres of sand will be spread on the beach.

Our energy reduction strategy also continues with the installation of a voltage stabiliser, LED lighting and solar power.

**Managing the extraordinary**

I would like to commend the Executive Management Team and staff of West Beach Parks for adapting to the extraordinary challenges of the last 12 months.

BIG4 West Beach Parks remained open only for essential travellers and The Retreat was temporarily closed until September 2020 – historic firsts for our tourism-based business.

This required decisive leadership and tight financial management and I'm delighted to say that our COVID-19 Management Plan and Framework delivered a safe workplace for our staff and a healthy destination for guests.

While our eligible lessees were able to access government support and rent relief through the South Australian Community and Jobs Support Fund, we also tried to support these valuable partners wherever possible.

With a strong increase in domestic tourism and the reopening of recreational activities, it has been encouraging to see them resume trading during the last six months of the financial year.

On behalf of the West Beach Trust Board, I am pleased to present this Annual Report and extend my thanks for the ongoing support of the Board and various Government agencies throughout the year.

We are looking forward to 2021-22 and the return to a buoyant post-pandemic domestic tourism economy.



**Jane Jeffrey**  
**Chair**  
**West Beach Trust**

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**OFFICIAL****Overview: About the Agency**

The West Beach Trust (**the Trust**) is a Statutory Authority of the Government of South Australia, created to manage the West Beach Recreation Reserve. The Trust trades and is marketed as West Beach Parks.

Facilities include:

- BIG4 West Beach Parks
- The Retreat at West Beach Parks
- West Beach Parks Boat Haven
- West Beach Parks Football Centre
- West Beach Parks Diamond Sports
- West Beach Parks Golf
- West Beach Parks Sporting Reserves
- The Shack at West Beach Parks
- West Beach Parks Skate and BMX Park
- West Beach Coastal Park

This Annual Report describes the functions and operations of the Trust, trading as West Beach Parks. It presents Audited Financial Statements for the year ended 30 June 2021, and includes information about West Beach Parks, and the management of resources under its control. It is submitted in accordance with the:

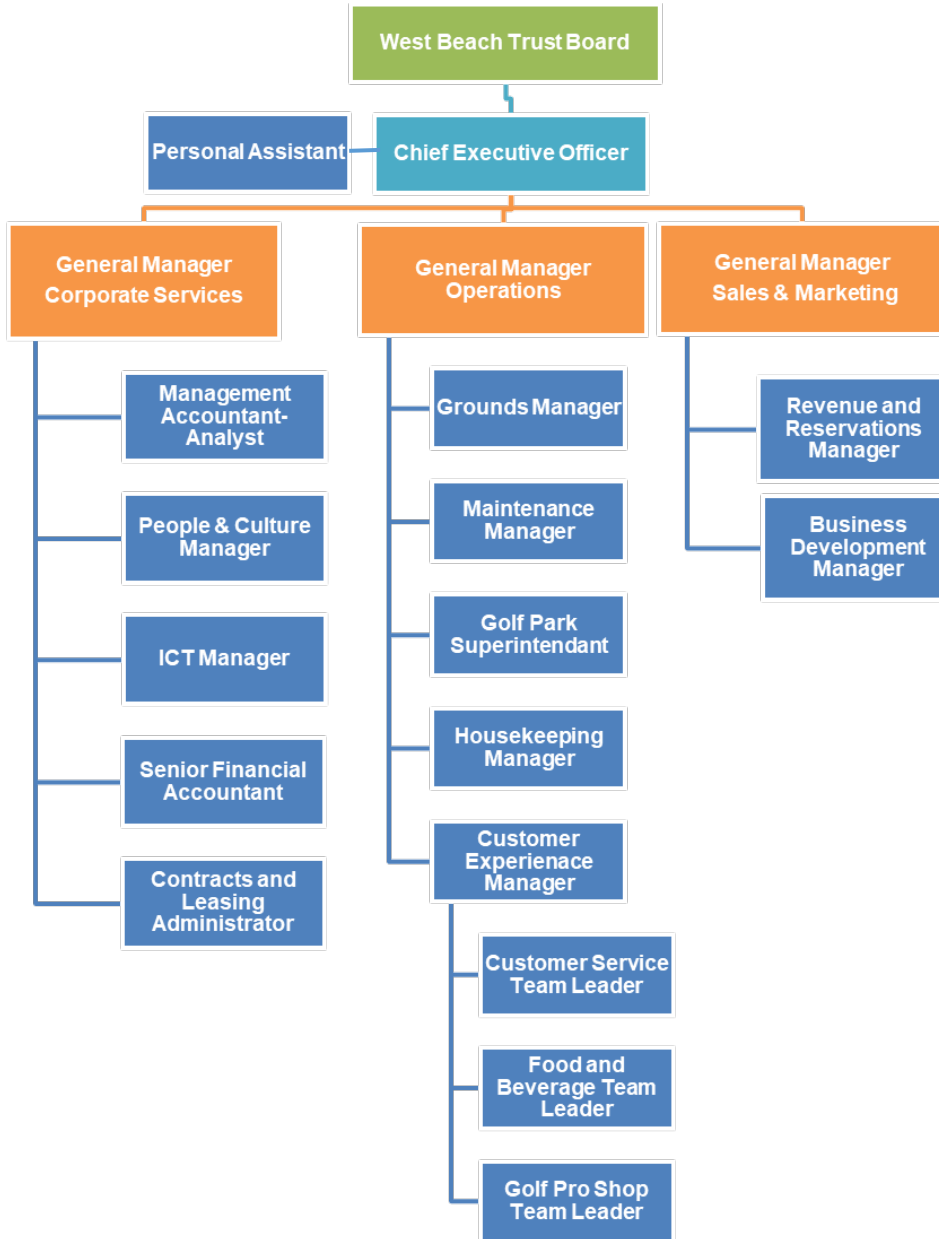
- *Public Sector Act 2009*
- *Public Finance and Audit Act 1987*
- *West Beach Recreation Reserve Act 1987*

**Our Strategic Focus**

<b>Our Purpose</b>	To develop, enhance and promote West Beach Parks for the benefit and enjoyment of the community and visitors
<b>Our Vision</b>	West Beach Parks is a world class tourism, sport and recreation precinct, providing exceptional leisure experiences
<b>Our Values</b>	<p><b>Ethics</b> - we do the right thing.</p> <p><b>Accountability</b> - we own our actions and behave responsibly.</p> <p><b>Respect</b> - for our visitors and each other.</p> <p><b>Teamwork</b> - we work together to create and deliver great visitor experiences.</p>
<b>Our functions, objectives and deliverables</b>	<p><b>One Destination</b> – develop West Beach Parks as an integrated sport, recreation, tourism and leisure destination to all.</p> <p><b>Memorable Visitor Experience</b> – an exceptional visitor experience is at the heart of everything we do</p> <p><b>People &amp; Culture</b> – create an engaged, high performing and committed team demonstrating behaviours that reflect our values and culture</p> <p><b>Sustainable Business</b> – maintain and enhance West Beach Parks for current and future generations</p>

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### Our Organisational Structure



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**Changes to the Agency**

During 2020-21 there were no changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

**Our Minister**



The Hon Vickie Chapman MP is the Deputy Premier, Attorney General and Minister for Planning and Local Government, and is responsible for Justice Reform, Consumer and Business Affairs, Planning and Local Government and the City of Adelaide.

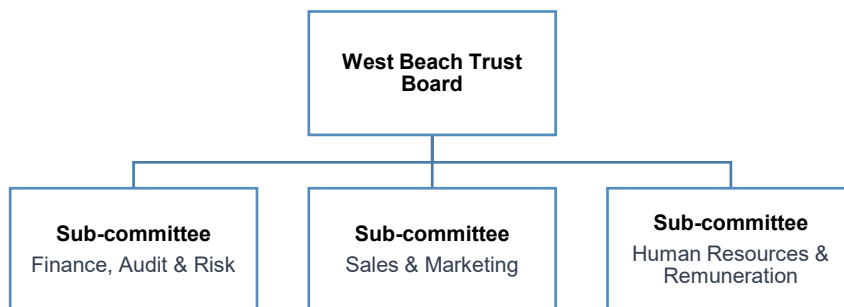
**Our Board**

The West Beach Trust Board (**the Board**) is accountable to the Minister for Planning and Local Government (**Minister**) for sound management and stewardship of the Trust and its assets, for and on behalf of its owners in accordance with the law, and for the attainment of performance targets as established in the Performance Agreement.

The Board composition is made in accordance with section 7 of the Act:

- (1) *The Trust consists of seven members appointed by the Minister, of whom—*
  - (a) *one must be a person from a panel of three persons nominated by the City of Charles Sturt; and*
  - (b) *one must be a person from a panel of three persons nominated by the City of Holdfast Bay; and*
  - (c) *one must be a person from a panel of three persons nominated by the City of West Torrens; and*
  - (d) *the remainder will be selected by the Minister.*

The Board and its Sub-committee structure is as follows:





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As at 30 June 2021, the Board Members of the Trust are:

Name	Role
Jane Jeffreys	West Beach Trust Board (Chair) Human Resources and Remuneration Sub-committee (Chair)
Tiffany Young	West Beach Trust Board (Deputy Chair) Finance, Audit and Risk Sub-committee
Patricia Christie	West Beach Trust Board Finance, Audit and Risk Sub-committee (Chair) Human Resources and Remuneration Sub-committee
Deborah Black	West Beach Trust Board Sales and Marketing Sub-committee (Chair)
John Woodward	West Beach Trust Board Finance, Audit and Risk Sub-committee
Adrian Ralph	West Beach Trust Board Sales and Marketing Sub-committee
Rebecca Abley	West Beach Trust Board Sales and Marketing Sub-committee

**Our Executive Team**

The Executive Team are responsible for the overall strategic priorities and objectives, operational arrangements and financial requirements for the Trust.



**Kate Anderson**  
Chief Executive  
Officer



**Karen Limb**  
General Manager,  
Corporate Services



**Dean Wetherill**  
General Manager,  
Operations



**Abby Howard**  
General Manager,  
Sales & Marketing

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**Legislation administered by the Agency**

The Trust is the statutory authority responsible for the management and development of the West Beach Recreation Reserve lands and environment. The Trust trades and is marketed as West Beach Parks.

The Trust is managed by a Board. The Board is under the control and direction of the Minister for Planning.

The *West Beach Recreation Reserve Act 1987* requires the Trust to perform the functions of the Trust as set out in section 13(1) of the Act, which are:

- (a) *to administer and develop the Reserve in accordance with its strategic and business plans—*
  - (i) *as a sporting, cultural and recreational complex of State-wide significance; and*
  - (ii) *as a tourist attraction and resort; and*
  - (iii) *within a designated area—as a place where boats may be launched, moored or stored (and where ancillary or associated services may be provided); and*
- (b) *to promote and encourage the use and enjoyment of the Reserve by the public; and*
- (c) *to perform any other function assigned to the Trust by this Act or the Minister.*

In fulfilling its statutory functions as set out in the Act, the Government requires the Trust, by its Charter, to be a business enterprise with the principal responsibility to administer and develop the Reserve to the benefit of the public and economy of the State and pursue the following strategic commercial directions:

- To create economic, environmental and social benefits to the State;
- To be accountable and operate commercially in accordance with:
  - Sound business and financial management;
  - Government policy objectives; and
  - Prudent risk management practices.
- To manage the provision of accommodation and recreation facilities suitable for attracting tourism and recreation and sporting events to South Australia and/or enabling existing sporting organisations to expand;
- To perform such ancillary acts and matters as are necessary to achieve the purposes above;
- To maximise the value of the Trust whilst achieving other key requirements;
- To have regard to the financial merits of any proposal from the view of the State, including the extent of the financial risks to which the State is exposed;
- To perform all operational activities at best practice levels so as to minimise cost to the Trust and any consequential loss to the State; and
- To fully cost all operational activities and where applicable, obtain funding on the basis of negotiations between the Trust and the Government.

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The Act also requires the Minister to approve:

- A Charter that sets out the Government of South Australia's strategic objectives, priorities, and requirements for the Trust each year
- An annual Performance Agreement that identifies key financial and operational targets
- A Strategic Plan that outlines the long-term direction of West Beach Parks
- An annual Business Plan that provides short-term annual strategies and targets, and identifies the resources needed to meet the Charter and Performance Agreement.

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**The Agency’s Performance**

**Performance at a Glance**

Overall the performance of the precinct was strong especially in comparison to last financial year.

Revenue increased by 11%, overall, especially in Accommodation tariffs (13%) and Golf income (20%).

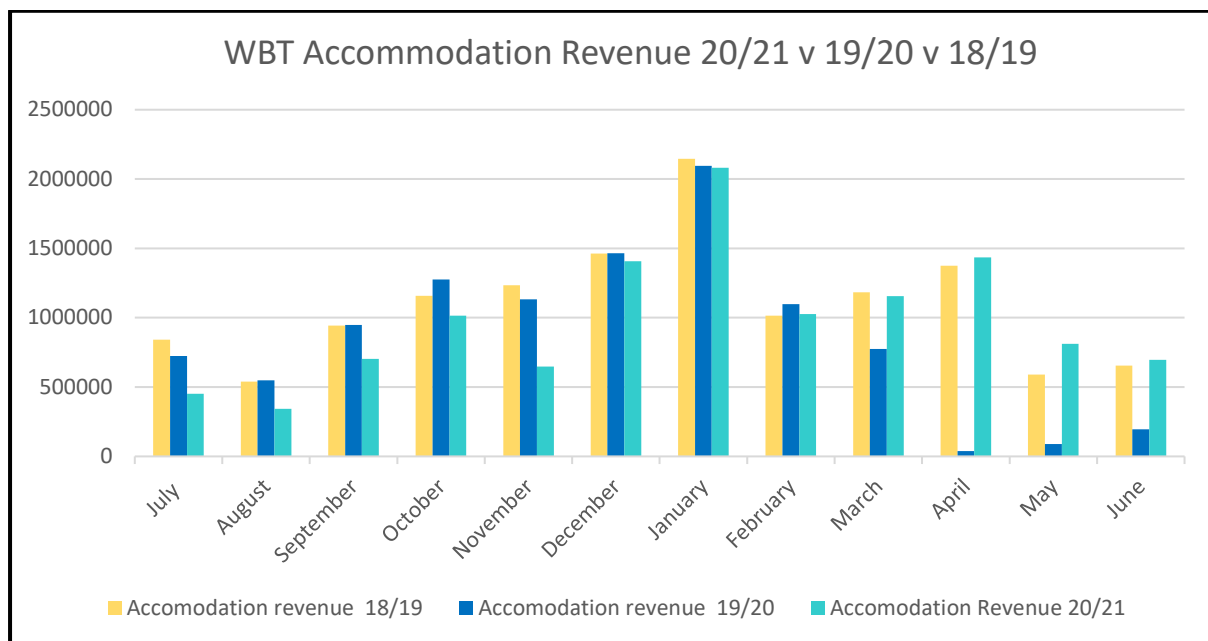
Marketing campaigns were focused to more local first-time travellers to the precinct because of market uncertainty and border restrictions, which lead to strong Accommodation revenue especially in the last quarter of the financial year.

During the year, continued investment into the precinct occurred with capital spend on additional cabin stock at the Retreat and overall continual Upgrades.

The financial result was also enhanced by the final payment of the Business Interruption claim, which was not budgeted for.

**Accommodation**

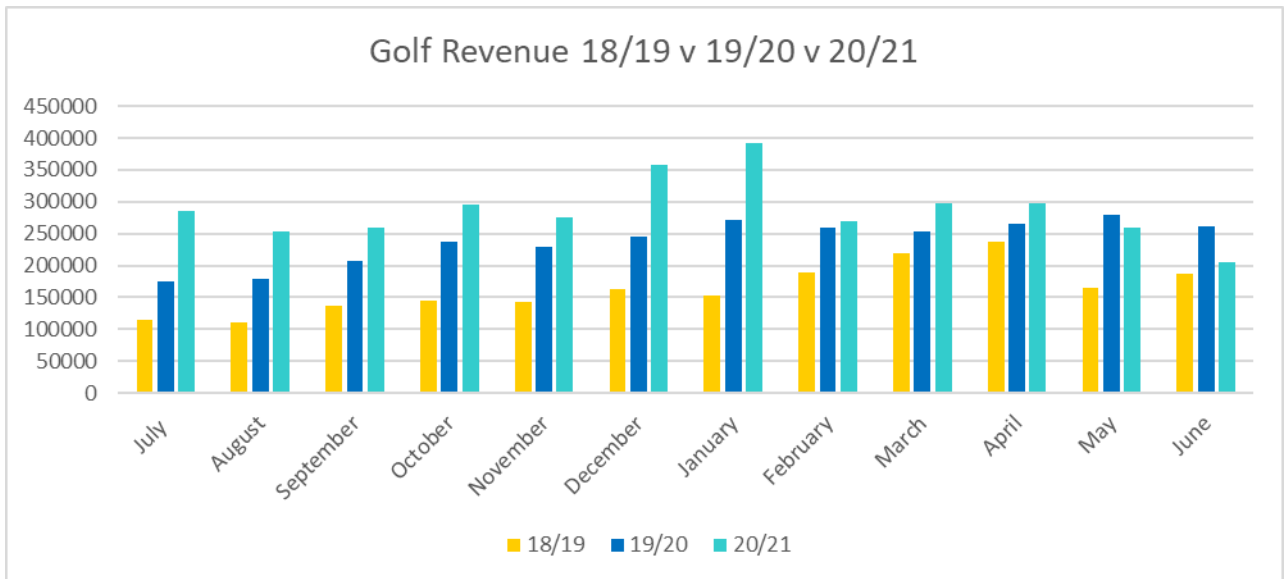
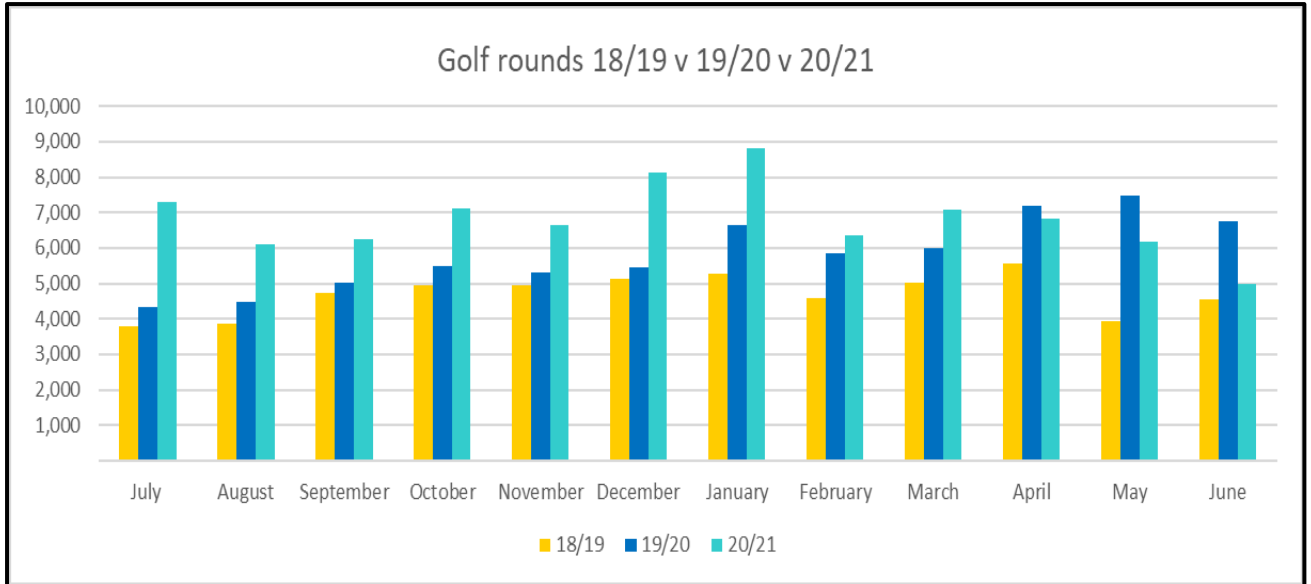
Accommodation for the year increased from the previous year by 13%, mainly due to a strong finish to the financial year, with customers travelling locally due to the uncertainty of the market and border closures. Accommodation revenue for the last quarter of the financial year surpassed pre COVID figures.



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**Golf**

The Golf business has continued to thrive during the pandemic which was enhanced by golf being one of the few recreational activities allowed during the pandemic. The physical round numbers and revenue generated has significantly increased during the 20/21 financial year.



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**Agency response to COVID-19**

**COVID-19 Pandemic – Status as at 30 June 2021**

General uncertainty in the marketplace and the presence of ongoing State border closures continue to pose a significant risk to West Beach Parks. This is due to its reliance on the interstate market which make up approximately 45% of business during Peak Season (September School Holidays and December / January School Holidays).

In response to this ongoing concern, a Risk Mitigation Strategy has been implemented with a key focus to engage the local and regional South Australian market through specialised advertising campaigns. This will allow West Beach Parks to target South Australians, including new customers to the Precinct, and to promote the Precinct as open and ready to welcome guests and visitors for a fun, safe and much-needed staycation.

In its ongoing management of the pandemic, West Beach Parks continues to follow its COVID-19 Management Plan and Framework, and consistently reviews its operations and expenditure. The Framework provides ongoing support to our staff and complies with the health and operational guidelines of the Government of South Australia, SafeWork Australia, and national industry bodies.

**Agency Specific Objectives and Performance**

West Beach Parks continued to deliver on its 2020-2023 Strategic Plan. The key actions for 2020-21 year are detailed below under an appropriate strategic pillar:

**STRATEGIC PRIORITY - ONE DESTINATION**

**Strategic Intent: To develop West Beach Parks as an integrated sport, tourism, leisure destination for all**

- Began stage one of an Expression of Interest (EOI) process to revitalise the Woolshed Foreshore Site. Stage two of the EOI will be completed in 2021-2022
- Successfully concluded an EOI for vacant land at the Boat Harbour. The land will be activated in February 2022
- Rebranded the Resort and renamed as The Retreat. Feedback was positive as customers supported and enjoyed the change
- Administration devised and implemented a post COVID-19 marketing recovery strategy to protect and enhance the West Beach Parks brand and stimulate accommodation bookings for the coming year
- Hosted 14 major sporting events across the West Beach Parks sports reserves
- Launched a tender for upgrades to the Diamond Sports car-park and stormwater system

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**STRATEGIC PRIORITY - MEMORABLE VISITOR EXPERIENCE**

**Strategic Intent: An exceptional visitor experience is at the heart of everything we do**

- A key focus in 2020/21 was the Customer Experience project, which included initiatives to improve and enhance the West Beach Parks customer experience. Initiatives included appointment of a Customer Experience Manager, launch of the Customer Experience Champion Team, significant team training and website upgrades
- Conducted a review of all systems in use across the Precinct and examined from a customer perspective. This process identified the need for a new accommodation property management system. As such, Administration will in 2021-22 develop a business case, and anticipates a subsequent EOI process
- Created seven new Sand Dune Shacks, three Safari Tents and a nature playground at The Retreat. In addition, an entry statement piece, and upgraded Reception at The Retreat was completed, as well as a new gym and games room
- Secured a five-year licence with popular onsite pop-up attraction The Big Wedgie. The inflatable water park is a school holiday activity
- Appointed a new lessee for the Skate Side Kiosk. The team behind Oceanique will operate this new kiosk

**STRATEGIC PRIORITY - PEOPLE AND CULTURE**

**Strategic Intent: An engaged, high performing and committed team demonstrating behaviours that reflect our values and culture**

- Developed the West Beach Parks WHS Strategic & Action Plan for 2021-2023
- Successfully negotiated a two-year West Beach Trust Enterprise Agreement with employees
- Implemented a new time and attendance system
- Launched the West Beach Parks Employee Value Proposition
- Conducted an Employee Opinion Survey and used survey results to develop and implement an action plan, and reviewed recruitment and onboarding processes to improve and streamline the function
- Delivered the annual Health and Wellbeing Program for employees and launched the internal staff newsletter *The Quarterly Check In*
- Worked with the Operational Management Team to complete 360 reviews and develop employee action plans

**OFFICIAL****STRATEGIC PRIORITY - SUSTAINABLE BUSINESS****Strategic Intent: Maintain and enhance West Beach Parks for current and future generations**

- Finished stage two of the cabin replacement strategy and updated stages three and four
- Managed to minimise negative financial impact of COVID-19 across the West Beach Parks Precinct
- Supported lessees by providing rent relief via the Treasurers Business and Jobs Support Fund
- Reviewed and structured communications approach to ensure all stakeholders are regularly and relevantly updated
- Developed and implemented a new Procurement Framework to adhere with Procurement SA guidelines
- Reviewed and, where appropriate, improved both cyber and general security across the Precinct
- Continued commitment to environmental sustainability. West Beach Parks implemented a suite of initiatives including new solar walkway lights, six-star accreditation on all cabins, installed a Voltage Stabiliser to reduce power use as well as an energy saver water harvest program at the golf course. A total of 440 metres of drift fence was also installed within the West Beach sand dunes and 1000 seedlings were ordered for planting in July 2022

**Employment Opportunity Programs**

<b>Program Name</b>	<b>Performance</b>
Apprenticeships in Horticulture	Four full-time Apprentices are at various stages of completing a 3-year Apprenticeship in Certificate III in Horticulture

**Agency Performance Management and Development Systems**

<b>Performance Management and Development System</b>	<b>Performance</b>
West Beach Parks conducts a biannual Performance Development Review for all of its permanent staff	100% of active West Beach Parks permanent staff had their performance reviewed and forward-looking key performance indicators set.  71% of Development Plans from 2020-21 were completed.

**Work Health, Safety (WHS) and Return to Work Programs**



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Program Name	Performance
<b>WHS Strategic Plan 2021-2024</b>	<p>New WHS Strategic Plan developed which documents a significant number of Action Plan initiatives, measurements and due dates, as well as final outcomes and completion dates. Delivery of the Strategic Plan is a permanent agenda item for the West Beach Parks WHS Committee Meetings. The Strategic Plan contains three overarching objectives:</p> <ol style="list-style-type: none"> <li>1) Create Safer Workplaces</li> <li>2) Safety System Improvement, and</li> <li>3) Injury Management</li> </ol>
<b>Health and Wellbeing Program</b>	<p>The delivery of all elements of the West Beach Parks Health and Wellbeing Program was impacted by COVID-19 (e.g. onsite massages were unable to be delivered). Feedback is obtained from employees after each initiative within the Program to ensure initiatives meet the needs of employees, and to ascertain whether employees desire the initiative to be delivered again in the future. The Health and Wellbeing Committee reviews this feedback. Total spend on Health and Wellbeing initiatives in the 2020-21 financial year was \$14,335.</p>

Workplace Injury Claims	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Total new workplace injury claims	8	5	60%
Fatalities	0	0	0%
Seriously injured workers*	0	0	0%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	11.54	30.4	-62%

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

- New work injury claims are based on actual workcover injury claims, the comparison base level is low for 19/20 due to minimal employees due to COVID
- Majority of injuries are not significant as per this definition

Work Health and Safety Regulations	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	0	0	0%
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	0	0%

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<b>Return to Work Costs**</b>	<b>Current year 2020-21</b>	<b>Past year 2019-20</b>	<b>% Change (+ / -)</b>
Total gross workers compensation expenditure (\$)	\$134,000	\$110,000	22%
Income support payments – gross (\$)	\$22,544	\$56,477	-60%

*\*\*before third party recovery\*Gross workers compensation expenditure has increased due to the finalisation of a historical return to work claim*

*\* Income support payments have decreased due to a majority of return to work SA claims being medical only*

**Data for Previous Years**

<b>Return to work costs**</b>	<b>2019-20</b>	<b>2018-19</b>	<b>% Change (+ / -)</b>	<b>2017-18</b>	<b>% Change (+ / -)</b>
Total gross workers compensation expenditure (\$)	\$110,000	\$120,000	-8%	\$196,000	-39%
Income support payments – gross (\$)	\$56,500	\$25,700	120%	\$19,000	35%

*\*\*before third party recovery*

**Executive Employment in the Agency**

<b>Executive Classification</b>	<b>Number of Executives</b>
Chief Executive Officer	1
General Manager's	3

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

**OFFICIAL****Financial Performance****Financial Performance at a Glance**

The following is a brief summary of the overall financial position of the Agency. The information is unaudited. Full audited financial statements for 2020-2021 are attached to this report.

The budget in the table below is consistent with the revised Original Budget 2020-21 as endorsed by the West Beach Trust Board on 27 July 2020. The revised Original Budget numbers were used as the Trust's initial baseline position for management and Board reporting purposes in 2020-21.

Statement of Comprehensive Income	2020-21 Budget \$000s	2020-21 Actual \$000s	Variation \$000s	Past year 2019-20 Actual \$000s
Total Income	15,382	20,116	4,734	18,189
Total Expenses	17,335	17,669	(334)	16,562
<b>Net Result</b>	<b>(1,953)</b>	<b>2,447</b>	<b>4,400</b>	<b>1,627</b>
<b>Total Comprehensive Result</b>	<b>(1,953)</b>	<b>1,713</b>	<b>3,666</b>	<b>1,139</b>

Statement of Financial Position	2020-21 Budget \$000s	2020-21 Actual \$000s	Variation \$000s	Past year 2019-20 Actual \$000s
Current assets	1,106	4,972	3,866	2,783
Non-current assets	94,696	94,447	(249)	94,673
<b>Total assets</b>	<b>95,802</b>	<b>99,419</b>	<b>3,617</b>	<b>97,456</b>
Current liabilities	3,644	45,140	(870)	40,640
Non-current liabilities	10,917	10,000	917	10,200
<b>Total liabilities</b>	<b>14,561</b>	<b>14,514</b>	<b>47</b>	<b>14,264</b>
<b>Net assets</b>	<b>81,241</b>	<b>84,905</b>	<b>3,664</b>	<b>83,192</b>
<b>Equity</b>	<b>81,241</b>	<b>84,905</b>	<b>3,664</b>	<b>83,192</b>

**Consultants Disclosure**

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

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

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Various	\$23,270

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

Consultancies	Purpose	\$ Actual payment
Studio 9	Architects	\$ 45,726
Ball PR	Public Relations	\$ 15,046
	Total	\$ 60,772

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

**Contractors Disclosure**

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year. The Trust has only listed contractual services where the predominant component is labour supply to carry out routine/core business tasks as directed by the Trust.

**Contractors with a contract value below \$10,000**

There are no Contractors under \$10,000.

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

Contractors	Purpose	\$ Actual payment
AMA – Security	Security	\$ 269,552
Maxima	Labour Hire	\$ 100,373
Pinnacle People	Labour Hire	\$ 91,863
Entree Recruitment	Labour Hire	\$ 19,793
	Total	\$ 481,581

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

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

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## **Risk Management**

The Board and Management of the Trust recognise that the management of risk is a key element of sound governance and an important strategy in achieving the objectives of the Trust's Charter, Performance Agreement and Business Plan.

The Risk Management Framework is a holistic process that is applied to all levels of operation across the West Beach Recreation Reserve.

The Chief Executive Officer, Executive and Management Teams of the Trust recognise that they are responsible for the implementation of the Risk Management Framework and that they are to effectively integrate the Risk Management Framework into their designated management activities and responsibilities.

The Risk Management Framework has been developed to:

- Allow the Trust to proactively manage its risks in a systematic and structured way
- Continually refine processes to reduce the Trust's residual risk profile
- Ensure appropriate strategies are in place to mitigate or manage risks and maximise opportunities
- Embed the Risk Management process and ensure it is an integral part of the Trust's planning processes at strategic, management and operational levels.

The Framework forms part of the Trust's Risk Management Portfolio which includes:

- Risk Management – Policy
- Risk Management – Framework
- Risk Management – Appetite Statement (*the Statement provides parameters for the Board to make calculated decisions*)
- Risk Management – Register.

The Risk Management Portfolio is reviewed and updated every six months, and is provided to the Board for subsequent approval.

## **Risk and Audit at a Glance**

The Finance, Audit & Risk Sub-committee (**FARS**) was established to make recommendations to the Board on the overall priorities, strategies and policies that support effective and accountable governance for the Trust. It ensures the consequences of management's actions are properly recorded and disclosed to:

- Protect the long-term viability of the Trust and the State's financial interest in the Trust
- Fulfil financial and business risk reporting requirements as outlined in applicable legislation including Australian Accounting Standards, Treasurer's Instructions and Commissioners Circulars and Determinations
- Develop, review and monitor corporate governance policies and procedures in accordance with legislation and best practice

The FARS Committee met five times during the 2020-21 financial year.

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**Fraud detected in the Agency**

There has been no fraud detected during the 2020-21 year.

**Strategies implemented to control and prevent fraud**

The Chief Executive Officer and Executive Team are responsible for ensuring appropriate measures for fraud and corruption control, including prevention, detection, raising awareness, reporting, training and investigation are in place, and apply to all areas of the business.

The Trust has implemented a Fraud, Corruption, Misconduct and/or Maladministration Policy which is reviewed annually. This is administered by the Chief Executive Officer, with advice from FARS, Executive Team and the People and Culture Manager. The Policy is approved by the Board annually. Responsibility and application of the policy rests with the Chief Executive Officer, Executive Team, Operational Management Team and employees.

A Financial Management Control Checklist is also produced annually and presented to FARS, and is approved by the Board.

The Auditor General conducts an interim and annual audit of the Trust each year. The results of the Audit, together with an associated Action Plan are presented to the Board as required.

**Public Interest Disclosure**

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*: **0**

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

**OFFICIAL****Public Complaints**

West Beach Parks actively seeks customer feedback through a variety of mechanisms, including:

- Online surveys
- Written and Verbal interactions with customers
- Big4 franchisee arrangements
- Reviewpro

In 2020-21, five written complaints were received through the BIG4 franchise agreement from a total of 76,143 bed nights during the year. All feedback was addressed and responded to in a timely and effective manner.

**Service Improvements**

Enhancement of the customer experience provided by West Beach Parks was a focus in 2020-21. West Beach Parks recognises the need to consistently deliver an excellent customer experience. By going above and beyond, West Beach Parks will not only strengthen its brand, but will also gain access to new customers through word of mouth. The aim is to deliver an experience that is so positive and memorable that guests become brand advocates and recommend the precinct facilities to the people they know.

McGregor Tan were commissioned in October 2019 to undertake a thorough investigation of all aspects of the West Beach Park customer experiences and following this a series of recommendations were presented on ways to enhance the experience offered. These included the below key initiatives all of which have been actioned:

- Maintain the integrity of West Beach Parks as a multi-site property
- Design and implement a West Beach Parks whole of business Customer Experience Strategy
- Create sub brands and relevant visitor personas
- Customer Experience - visitor persona training for all team members
- Review website and on-line booking process / Point of Sale technology
- review the Property Management System functionality in an attempt to lessen the administrative burden on reservation and front counter staff
- Improve communications with guests, prior to arrival, during stay (SMS notifications) signage and in room visitor information

West Beach Parks also manages feedback and service improvements via its internal processes including:

- Customer Experience Champion Team
- Daily Guest Feedback Report
- Guest Feedback Procedure
- Online Guest Feedback

In the 2020-21 year, West Beach Parks received the following Net Promoter Scores for it's accommodation facilities:

<b>Accommodation Property</b>	<b>Net Promoter Score</b>
BIG4 Holiday Park	73.10
The Retreat	65.23

**OFFICIAL**

**Appendix: Audited Financial Statements 2020-21**





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## To the Chair of the Board West Beach Trust

### Opinion

I have audited the financial report of West Beach Trust for the financial year ended 30 June 2021.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the West Beach Trust as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chair of the Board of the West Beach Trust, the Chief Executive Officer and the General Manager Corporate Services.

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the West Beach Trust. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Responsibilities of the Chief Executive Officer and members of the Trust for the financial report**

The Chief Executive Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the entity's ability to continue as a going concern. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Members of the Trust are responsible for overseeing the entity's financial reporting process.

### **Auditor's responsibilities for the audit of the financial report**

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 17(2) of the *West Beach Recreation Reserve Act 1987*, I have audited the financial report of the West Beach Trust for the financial year ended 30 June 2021.

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the West Beach Trust's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- conclude on the appropriateness of the Chief Executive Officer'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 entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity 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.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive Officer and members of the Trust about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson

**Auditor-General**

21 September 2021

# West Beach Trust

## Certification of the Financial Statements

We certify that the:

- financial statements of the West Beach Trust:
  - are in accordance with the accounts and records of the Trust;
  - comply with relevant Treasurer's Instructions;
  - comply with relevant accounting standards; and
  - present a true and fair view of the financial position of the Trust at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the Trust for the financial year over its financial reporting and its preparation of financial statements have been effective.



\_\_\_\_\_  
K L Anderson  
Chief Executive Officer



\_\_\_\_\_  
M J Jeffreys  
Chair of Board



\_\_\_\_\_  
K Limb, FCPA  
General Manager  
Corporate Services

Dated: 7 September 2021

# West Beach Trust

## Statement of Comprehensive Income

For the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
<b>Income</b>			
Revenues from fees and charges	2.1	16,614	14,451
SA Government grants, subsidies and transfers	2.2	1,588	1,572
Interest revenues	2.3	2	6
Other income	2.4	1,912	2,160
<b>Total income</b>		<b>20,116</b>	<b>18,189</b>
<b>Expenses</b>			
Employee benefits expenses	3.3	7,907	7,143
Supplies and services	4.1	5,747	5,212
Depreciation and amortisation	4.2	3,176	3,091
Borrowing costs	4.3	277	334
Net loss from the disposal of non-current assets	4.4	6	15
Other expenses	4.5	556	767
<b>Total expenses</b>		<b>17,669</b>	<b>16,562</b>
<b>Profit (loss) before income tax equivalents</b>		<b>2,447</b>	<b>1,627</b>
Income tax equivalent expense	1.4	734	488
<b>Profit (loss) after income tax equivalents</b>		<b>1,713</b>	<b>1,139</b>
<b>Total comprehensive result</b>		<b>1,713</b>	<b>1,139</b>

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

# West Beach Trust

## Statement of Financial Position As at 30 June 2021

	Note	2021 \$'000	2020 \$'000
<b><u>Current assets</u></b>			
Cash and cash equivalents	6.1	2,078	1,932
Receivables	6.2	2,825	786
Inventories	5.5	69	65
<b>Total current assets</b>		<b>4,972</b>	<b>2,783</b>
<b><u>Non-current assets</u></b>			
Property, plant and equipment	5.1	94,299	94,460
Intangible assets	5.4	148	213
<b>Total non-current assets</b>		<b>94,447</b>	<b>94,673</b>
<b>Total assets</b>		<b>99,419</b>	<b>97,456</b>
<b><u>Current liabilities</u></b>			
Payables	7.1	1,846	1,615
Fees received in advance	7.2	1,593	1,346
Borrowings	7.3	523	670
Employee benefits	3.4	552	433
<b>Total current liabilities</b>		<b>4,514</b>	<b>4,064</b>
<b><u>Non-current liabilities</u></b>			
Payables	7.1	78	83
Borrowings	7.3	9,195	9,334
Employee benefits	3.4	727	783
<b>Total non-current liabilities</b>		<b>10,000</b>	<b>10,200</b>
<b>Total liabilities</b>		<b>14,514</b>	<b>14,264</b>
<b>Net assets</b>		<b>84,905</b>	<b>83,192</b>
<b><u>Equity</u></b>			
Retained earnings		23,284	21,571
Asset revaluation Surplus	8.1	61,621	61,621
<b>Total equity</b>		<b>84,905</b>	<b>83,192</b>

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

# West Beach Trust

## Statement of Changes in Equity

For the year ended 30 June 2021

	Note	Asset revaluation surplus \$'000	Retained earnings \$'000	Total Equity \$'000
Balance at 30 June 2019		61,621	20,432	82,053
<b>Net result for 2019-20</b>		-	1,139	1,139
<b>Total comprehensive result for 2019-20</b>		-	1,139	1,139
<b>Balance at 30 June 2020</b>		61,621	21,571	83,192
<b>Net result for 2020-21</b>		-	1,713	1,713
<b>Total comprehensive result for 2020-21</b>		-	1,713	1,713
<b>Balance at 30 June 2021</b>		61,621	23,284	84,905

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

# West Beach Trust

## Statement of Cash Flows

For the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
<b><u>Cash flows from operating activities</u></b>			
<i>Cash inflows</i>			
Fees and charges		18,530	15,837
SA Government grants, subsidies and transfers		1,273	1,093
Interest received		2	6
Other receipts		130	2,160
<b>Cash generated from operations</b>		<b>19,935</b>	<b>19,096</b>
<i>Cash outflows</i>			
Employee benefit payments		(7,773)	(7,368)
Payments for supplies and services		(6,599)	(5,750)
Interest paid		(278)	(340)
GST paid to the ATO		(863)	(782)
Income tax equivalent payments		(488)	-
Other payments		(509)	(756)
<b>Cash used in operations</b>		<b>(16,510)</b>	<b>(14,996)</b>
<b>Net cash provided by/(used in) operating activities</b>	8.2	<b>3,425</b>	<b>4,100</b>
<b><u>Cash flows from investing activities</u></b>			
<i>Cash inflows</i>			
Proceeds from sale of property, plant and equipment		2	33
<b>Cash generated from investing activities</b>		<b>2</b>	<b>33</b>
<i>Cash outflows</i>			
Purchase of property, plant and equipment		(2,975)	(2,337)
Purchase of intangibles		(20)	(27)
<b>Cash used in investing activities</b>		<b>(2,995)</b>	<b>(2,364)</b>
<b>Net cash provided by/(used in) investing activities</b>		<b>(2,993)</b>	<b>(2,331)</b>
<b><u>Cash flows from financing activities</u></b>			
<i>Cash inflows</i>			
Proceeds from borrowings		433	767
<b>Cash generated from financing activities</b>		<b>433</b>	<b>767</b>
<i>Cash outflows</i>			
Repayment of borrowings		(591)	(1,010)
Repayment of principal portion of lease liabilities		(128)	(52)
<b>Cash used in financing activities</b>		<b>(719)</b>	<b>(1,062)</b>
<b>Net cash provided by/(used in) financing activities</b>		<b>(286)</b>	<b>(295)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>146</b>	<b>1,474</b>
Cash and cash equivalents at the beginning of the period		1,932	458
<b>Cash and cash equivalents at the end of the period</b>	6.1, 8.2	<b>2,078</b>	<b>1,932</b>

The accompanying notes form part of these financial statements.



# West Beach Trust

## NOTES TO THE FINANCIAL STATEMENTS

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# West Beach Trust

## 1. About the West Beach Trust

The West Beach Trust (Trust) is a statutory authority of the State of South Australia, established pursuant to the *West Beach Recreation Reserve Act 1987*. The Trust is a body corporate subject to the control and direction of the Minister for Planning and Local Government.

The financial statements and accompanying notes cover the West Beach Trust as an individual reporting entity.

The Trust does not control any other entity and has no interests in unconsolidated structured entities.

### 1.1 Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

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

For the purposes of preparing the financial statements, the Trust is a not-for-profit entity. The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

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

Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, the Trust has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

### 1.2 Functions and objectives

The functions and objectives of the Trust are:

- a) to administer and develop the West Beach Recreation Reserve in accordance with its strategic and business plans -
  - 1) as a sporting, cultural and recreational complex of State-wide significance; and
  - 2) as a tourist attraction and resort; and
- b) to promote and encourage the use and enjoyment of the Reserve by the public; and
- c) to perform any other function assigned to the Trust by the *West Beach Recreation Reserve Act 1987* or the Minister.

# West Beach Trust

## 1.3 Impact of COVID-19 pandemic on the Trust

The impacts of COVID-19 continued into the 2020-21 year.

Whilst the Trust's Accommodation tariffs have increased in percentage terms when compared to 2019-20, this was due to the 2019-20 year being more heavily impacted by COVID-19. The Trust's accommodation income for 2020-21 was still well below pre COVID Accommodation levels.

Accommodation is the Trust's major revenue stream and during 2020-21 it was impacted by continued border closures (impacting on visitors from interstate especially Victoria) and the cancellation of a number of local events and group activities. Toward the end of 2020-21 the Trust saw a return to near normal accommodation occupancy however still affected by border closures, several interstate lockdowns and general consumer confidence.

In the previous financial year, The Trust lodged a business interruption claim with SAICORP and an interim settlement payment of \$2 million was received in April 2020 on an open claim to 24 March 2021. Confirmation of an initial settlement amount of \$1.996 million was received in February 2021, with the variance of \$4,406 on the interim settlement brought to account in the 2020-21 financial year. The Trust's business interruption claim with SAICORP officially ended on 31 March 2021 with a further payment of \$1.782 million being confirmed in July 21 and recognised in the 2020-21 year as Other Income, closing out the claim.

Reference is also made to Note 2.1 and 2.2 which provides information on rent relief that has been provided to eligible community, sporting and commercial operators due to reduced income/job keeper payments as a result of COVID-19 restrictions.

## 1.4 Taxation

In accordance with *Treasurer's Instruction 22 Tax Equivalent Payments*, the Trust is required to pay to the SA Government an income tax equivalent. The income tax liability has been determined in accordance with the accounting profit method by multiplying the corporate income tax rate (presently 30%) by the profit before income tax equivalents. An income tax equivalent of \$734,105 (2019-20 \$488,164) is payable for the reporting period.

The Trust is also liable for payroll tax, fringe benefits tax, stamp duty, goods and services tax (GST), emergency services levy and land tax equivalents. It is exempt from paying local government council rates.

The Trust is reimbursed under the State's Tax Equivalent Regime for payments made for income tax, payroll tax, land tax and stamp duty to support its continued commitment to its community service obligations. The Trust is reimbursed by the Attorney-General's Department. The Trust was previously reimbursed by Department of Planning, Transport and Infrastructure (DPTI). Reimbursements under the State Taxation Equivalent Regime are recognised as revenue in the Trust's financial statements.

## 1.5 Significant transactions with government related entities

There were no significant transactions with government related entities, other than:

- payments to SA Water of \$609,000 for utilities.
- payments to DPTI of \$1,178,000, primarily for the project management and delivery of capital works. The majority of this amount was paid to contractors engaged by DPTI to construct new cabins at the West Beach Parks Retreat.
- total loan repayments of \$591,000 to SAFA, all of which was on long term borrowings.
- transactions as directed by legislation or under the State's Taxation Equivalent Regime.
- a \$1.782 million insurance settlement payment that was received from SAICORP in relation to the business interruption claim referred to in Note 1.3 above.

Similar transactions occurred during 2019-20.

# West Beach Trust

## 2. Income

### 2.1 Fees and charges

	2021	2020
	\$'000	\$'000
Accommodation tariffs	11,774	10,387
Discounts allowed	(281)	(253)
Facilities and services	226	213
Golf income	3,448	2,866
Boat launching fees	98	113
Rental revenue *	626	556
Sale of goods	723	569
<b>Total fees and charges</b>	<b>16,614</b>	<b>14,451</b>

Revenue is recognised upon the provision of services and goods to customers.

#### \* Rental revenue

During 2020-21, the Trust provided a full rent and on-cost waiver to all community, sporting and commercial operators leasing their facilities from the Trust whose operations had been substantially impacted as a result of COVID-19 restrictions during the period from the 1 July 2020 to 31 March 2021. The trust received an allocation of \$87,000 from the Community and Jobs Support Fund to support the provision of this rent relief. Rent relief was provided to 11 lessees during this period. In the previous year rent relief totalling \$140,000 was provided to 22 lessees.

### 2.2 SA Government grants, subsidies and transfers

	2021	2020
	\$'000	\$'000
Allocation from the Community and Jobs Support Fund	87	140
Reimbursement of tax equivalents paid	1,501	1,432
<b>Total revenues from SA Government</b>	<b>1,588</b>	<b>1,572</b>

The allocation from the Community and Jobs Support Fund was provided to the Trust to support the provision of rent and on-cost relief as referenced in Note 2.1.

Tax equivalents represent income tax, payroll tax, land tax and stamp duty. The Trust is reimbursed these amounts under the State's Tax Equivalent Regime to support its continued commitment to its community service obligations. The Trust is reimbursed by the Attorney-General's Department. The Trust was previously reimbursed by DPTI.

### 2.3 Interest

	2021	2020
	\$'000	\$'000
Investments with SAFA	2	6
<b>Total interest revenues</b>	<b>2</b>	<b>6</b>

### 2.4 Other income

	2021	2020
	\$'000	\$'000
Lessee on-charges	55	31
Insurance payment - Business interruption claim	1,782	2,000
Insurance recovery - Stolen or damaged items	-	30
Other	75	99
<b>Total other income</b>	<b>1,912</b>	<b>2,160</b>

The \$1.782 million insurance payment recognised in 2020-21 represents a COVID 19 related business interruption claim for the period 1 July 2020 to 24 March 2021 lodged with SAICORP. Payment was received in July 2021. The prior year insurance payment of \$2 million related to the COVID 19 related business interruption claim for the period 25 March to 30 June 2020.

# West Beach Trust

## 3. Board, committees and employees

### 3.1 Key management personnel

Key management personnel of the Trust are the Minister for Planning and Local Government, Members of the Board, the Chief Executive Officer and the three (2019-20 three) members of the Executive Team who have responsibility for the strategic direction and management of the Trust.

Total compensation for key management personnel was \$852,000 in 2020-21 and \$803,000 in 2019-20.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Planning and Local Government receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 of the *Parliamentary Remuneration Act 1990*.

	2021	2020
	\$'000	\$'000
<b>Compensation</b>		
Salaries and other short term employee benefits	780	723
Post-employment benefits	72	68
Other long-term employment benefits	-	12
<b>Total compensation</b>	<b>852</b>	<b>803</b>

### *Transactions with key management personnel and other related parties*

No transactions have been identified.

### 3.2 Board and committee members

Members of the board during the 2020-21 financial year were:

#### **WBT Board**

Ms Jane Jeffreys (Chair)  
Ms Leonie Boothby (Deputy Chair) (term expired 31 December 2020)  
Ms Tiffany Young (Deputy Chair) (appointed 1 January 2021)  
Ms Deborah Black  
Ms Patricia Christie  
Ms Rosemary Clancy (term expired 31 December 2020)  
Ms John Woodward  
Mr Tolley Wasylenko (term expired 31 December 2020)  
Mr Adrian Ralph (appointed 1 January 2021)  
Ms Rebecca Abley (appointed 1 January 2021)

#### **Board Remuneration**

The number of Board members whose remuneration received or receivable from the Trust fell within the following bands was:

	2021	2020
\$0 - \$19,999	9	7
\$20,000 - \$39,999	1	1
<b>Total number of members</b>	<b>10</b>	<b>8</b>

The total remuneration received or receivable by members was \$103,000 (\$103,000). Remuneration of members consists of sitting fees and superannuation contributions.

# West Beach Trust

## 3.3 Employee benefits expenses

	2021	2020
	\$'000	\$'000
Salaries and wages	6,227	5,638
Long service leave	15	(8)
Annual leave	435	406
Skills and experience retention leave	18	8
Employment on-costs - superannuation *	635	578
Board and committee fees	94	94
Payroll tax	333	299
Workers compensation	134	110
Other employee related expenses	16	18
<b>Total employee benefits expenses</b>	<b>7,907</b>	<b>7,143</b>

### *Employment on-costs - superannuation*

\* The superannuation employment on-cost charge represents the Trust's contributions to superannuation plans in respect of current services of current employees.

### *Executive Remuneration*

	2021	2020
	No	No
The number of employees whose remuneration received falls within the following bands:		
\$154 001 to \$174 000	-	2
\$174 001 to \$194 000	2	-
\$254 001 to \$274 000	1	1
<b>Total number of employees</b>	<b>3</b>	<b>3</b>

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received by these employees for the year was \$617,000 (\$590,000).

## 3.4 Employee benefits liability

	2021	2020
	\$'000	\$'000
<b>Current</b>		
Accrued salaries and wages	137	98
Annual leave	304	228
Long service leave	92	90
Skills and experience retention leave	19	17
<b>Total current employee benefits</b>	<b>552</b>	<b>433</b>
<b>Non-current</b>		
Long service leave	727	783
<b>Total non-current employee benefits</b>	<b>727</b>	<b>783</b>
<b>Total employee benefits</b>	<b>1,279</b>	<b>1,216</b>

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

# West Beach Trust

## ***Salaries and Wages, Annual Leave, Skills and Experience Retention Leave (SERL) and Sick Leave***

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the Skills and Experience Retention Leave liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

## ***Long Service Leave***

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Details about the measurement of long service leave liability are provided in note 10.1.

The assumed proportion of long service leave taken as leave for current liability reporting is based on historical leave records of the Trust.

# West Beach Trust

## 4. Expenses

Employee benefits expenses are disclosed in note 3.3.

### 4.1 Supplies and services

	2021	2020
	\$'000	\$'000
Bank fees and charges	122	105
Commissions payable	221	223
Consultants	84	28
Contractors	385	277
Cost of sales	610	460
Human resources and recruitment	145	112
Information technology expenses	291	246
Insurance	207	183
Legal costs	84	56
Marketing and public relations	406	407
Motor vehicle expenses	41	51
Short term leases	7	76
Low value leases	7	18
Postage and telephone	78	79
Repairs and maintenance	863	748
Security	235	234
Staff training and development	47	27
Utilities	1,255	1,369
Waste and recycling	146	122
Other supplies and services	513	391
<b>Total supplies and services</b>	<b>5,747</b>	<b>5,212</b>

#### **Insurance**

The Trust has arranged, through SAICORP, to insure all major risks of the Trust. The excess payable under this arrangement varies depending on each class of insurance held.

#### **Consultants**

The number of consultancies and the dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	2021		2020	
	No	\$'000	No	\$'000
Below \$10,000	7	23	4	12
Above \$10,000	2	61	1	16
<b>Total paid /payable to the consultants engaged</b>	<b>9</b>	<b>84</b>	<b>5</b>	<b>28</b>



# West Beach Trust

## 4.2 Depreciation and amortisation

	2021	2020
	\$'000	\$'000
Buildings and improvements	2,121	2,058
Plant and equipment	822	861
Right-of-use land	65	65
Right-of-use plant and equipment	83	14
Intangible assets	85	93
<b>Total depreciation and amortisation</b>	<b>3,176</b>	<b>3,091</b>

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential. Amortisation is used in relation to intangible assets such as software, while depreciation is applied to tangible assets such as property, plant and equipment.

The value of leasehold improvements is depreciated over the estimated useful life of each improvement, or the unexpired period of the relevant lease, whichever is shorter.

The Trust last revalued its buildings and improvements at 30 June 2019. Further information on the revaluation is disclosed in note 10.2

Land is not depreciated.

### *Review of accounting estimates*

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

### *Useful Life*

Depreciation/amortisation is calculated on a straight-line basis over the estimated useful life of the following classes of assets:

Class of asset	Useful life (years)
Buildings and improvements	1 to 100
Plant and equipment	1 to 30
Right-of-use land	15
Right-of-use plant and equipment	5
Intangibles	3 to 10

The useful lives of intangible assets are assessed to be either finite or indefinite. The Trust only has intangible assets with finite lives. The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis.

## 4.3 Borrowing costs

	2021	2020
	\$'000	\$'000
Interest expense on borrowings measured at amortised cost	140	186
Guarantee fees expense on borrowings measured at amortised cost	103	117
Interest expense on lease liabilities	34	31
<b>Total borrowing costs</b>	<b>277</b>	<b>334</b>

The Trust does not capitalise borrowing costs.

# West Beach Trust

## 4.4 Net gain/loss from the disposal of non-current assets

	2021	2020
	\$'000	\$'000
<b>Plant and equipment</b>		
Proceeds from disposal	2	33
Less net book value of assets disposed	8	48
<b>Net gain/(loss) from disposal of plant and equipment</b>	<b>(6)</b>	<b>(15)</b>

Gains/losses on disposal are recognised at the date at which control of the asset is passed to the buyer and are determined after deducting the cost of the asset from the proceeds at that time. When revalued assets are sold, the revaluation surplus is not transferred to retained earnings.

## 4.5 Other expenses

	2021	2020
	\$'000	\$'000
Audit fees	54	53
Bad debts and allowances for doubtful debts	9	2
Expensing of items previously classified as work in progress	38	-
Federal land tax equivalent	21	57
Property, plant and equipment write-offs	-	9
Stamp duty	23	20
State land tax	411	626
<b>Total other expenses</b>	<b>556</b>	<b>767</b>

### **Audit fees**

The audit fees were paid / payable to the Auditor-General's Department in relation to the work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Auditor-General's Department.

# West Beach Trust

## 5. Non-financial assets

### 5.1 Property, plant and equipment

	2021	2020
	\$'000	\$'000
<b>Land</b>		
Land at fair value	54,909	54,909
<b>Total land</b>	<b>54,909</b>	<b>54,909</b>
<b>Buildings and improvements</b>		
Buildings and improvements at fair value	35,216	35,216
Buildings and improvements at cost (deemed fair value)	3,603	929
Less: Accumulated depreciation	(4,198)	(2,077)
<b>Total buildings and improvements</b>	<b>34,621</b>	<b>34,068</b>
<b>Plant and equipment</b>		
Plant and equipment at cost (deemed fair value)	9,768	9,234
Less: Accumulated depreciation	(6,496)	(5,768)
<b>Total plant and equipment</b>	<b>3,272</b>	<b>3,466</b>
<b>Work in progress</b>		
Buildings and improvements	341	713
<b>Total work in progress</b>	<b>341</b>	<b>713</b>
<b>Right-of-use land</b>		
Right-of-use land at fair value	970	970
Less: Accumulated depreciation	(130)	(65)
<b>Total right-of-use land</b>	<b>840</b>	<b>905</b>
<b>Right-of-use plant and equipment</b>		
Right-of-use plant and equipment at fair value	413	413
Less: Accumulated depreciation	(97)	(14)
<b>Total right-of-use plant and equipment</b>	<b>316</b>	<b>399</b>
<b>Total property, plant and equipment</b>	<b>94,299</b>	<b>94,460</b>

### 5.2 Property, plant and equipment owned by the Trust

Property, plant and equipment owned by the Trust with a value equal to or in excess of \$1,000 is capitalised. Certain assets below this amount are capitalised initially to assist with asset management and planning.

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position.

Plant and equipment includes operating machinery and vehicles that are fully depreciated but still in use. These have an estimated gross carrying value of approximately \$1,154,000. Examples of these include turf maintenance machinery, maintenance vans and housekeeping buggies.

#### *Impairment*

The Trust holds its property, plant and equipment for their service potential (value in use).

There were no indications of impairment of property, plant and equipment assets as at 30 June 2021.

# West Beach Trust

## Reconciliation 2020-21

	Land \$'000	Buildings and improvements \$'000	Plant and equipment \$'000	Work In Progress \$'000	Right-of-use assets \$'000	Total \$'000
<b>Carrying amount at 1 July 2020</b>	54,909	34,068	3,466	713	1,304	94,460
Acquisitions	-	2,082	636	258	-	2,976
Transfers from Work in progress	-	592	-	(592)	-	-
Disposals eg sales, write offs	-	-	(8)	(38)	-	(46)
Depreciation	-	(2,121)	(822)	-	(148)	(3,091)
Initial asset recognition (AASB 16)	-	-	-	-	-	-
<b>Carrying amount at 30 June 2021</b>	54,909	34,621	3,272	341	1,156	94,299

## Reconciliation 2019-20

	Land \$'000	Buildings and improvements \$'000	Plant and equipment \$'000	Work In Progress \$'000	Right-of-use assets \$'000	Total \$'000
<b>Carrying amount at 1 July 2019</b>	54,909	35,253	3,535	99	-	93,796
Acquisitions	-	882	840	614	413	2,749
Disposals eg sales, write offs	-	(9)	(48)	-	-	(57)
Depreciation	-	(2,058)	(861)	-	(79)	(2,998)
Initial asset recognition (AASB 16)	-	-	-	-	970	970
<b>Carrying amount at 30 June 2020</b>	54,909	34,068	3,466	713	1,304	94,460

# West Beach Trust

## 5.3 Property, plant and equipment leased by the Trust

Property, plant and equipment leased by the Trust is recorded at cost. There were no additions to leased property, plant and equipment during 2020-21.

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15,000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The Trust has a limited number of leases:

- a parcel of land, in accordance with a lease that commenced on 9 July 2014 and expires on 30 June 2034. The right-of-use asset is being depreciated over a useful life of 15 years which is consistent with the remaining term of this lease from the initial recognition in accordance with *AASB 16 Leases* on 1 July 2019.
- 30 new golf carts, in accordance with an agreement that requires 36 monthly rental payments commencing 1 May 2020 and expiring 30 April 2023. At the end of the lease term the Trust will take ownership of the carts on payment of a guaranteed residual payment. The right-of-use asset has been assessed as having a 5 year useful life for depreciation expense purposes.

The lease liabilities related to the right-of-use assets are disclosed in note 7.3. The Trust's maturity analysis of its lease liabilities is disclosed in note 10.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4.1 and 4.2. Cash outflows related to leases are disclosed in note 8.2

### **Impairment**

Property, plant and equipment leased by the Trust have been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

## 5.4 Intangible assets

	2021	2020
	\$'000	\$'000
Purchased computer software	834	868
Less: Accumulated amortisation	(686)	(655)
<b>Total intangible assets</b>	<b>148</b>	<b>213</b>

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The acquisition of computer software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of the expenditure is equal to or in excess of \$1,000.

# West Beach Trust

## Reconciliation of 2020-21

	<b>Purchased computer software \$'000</b>
<b>Carrying amount at the beginning of the period</b>	213
Acquisitions	20
Amortisation	(85)
<b>Carrying amount at the end of the period</b>	<b>148</b>

## Reconciliation of 2019-20

	<b>Purchased computer software \$'000</b>
<b>Carrying amount at the beginning of the period</b>	279
Acquisitions	27
Amortisation	(93)
<b>Carrying amount at the end of the period</b>	<b>213</b>

## 5.5 Inventories

	<b>2021 \$'000</b>	<b>2020 \$'000</b>
<b><u>Current - held for distribution at no or nominal amount</u></b>		
Materials at cost	4	3
<b>Total current inventories held for distribution at no or nominal amount</b>	<b>4</b>	<b>3</b>
<b><u>Current - held for sale</u></b>		
Goods at cost	65	62
<b>Total current other inventories - held for sale</b>	<b>65</b>	<b>62</b>
<b>Total inventories</b>	<b>69</b>	<b>65</b>

Inventories held for distribution, at no or nominal consideration, are measured at cost and adjusted when applicable for any loss of service potential. Inventories held for sale are measured at the lower of cost or their net realisable value.

Cost for inventory is measured on the basis of the first-in, first-out method. Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

### **Cost of inventories**

The cost recognised as an expense for materials and goods for resale is \$610,000. There was a net increase in inventories for the period of \$4,000.

# West Beach Trust

## 6. Financial assets

### 6.1 Cash and cash equivalents

	2021	2020
	\$'000	\$'000
Cash at bank or on hand	1,054	659
Short-term deposits with SAFA	1,024	1,273
<b>Total cash and cash equivalents</b>	<b>2,078</b>	<b>1,932</b>

Cash is measured at nominal amounts. There are no restrictions over any of the Trust's cash balances.

#### *Cash at bank or on hand*

Cash on hand is non-interest bearing. Cash at bank earns a floating interest rate, based on daily bank deposit rates.

#### *Short-term deposits*

Short term deposits are lodged on an at call basis through the SAFA Cash Management Facility. These funds, which are guaranteed by the Treasurer, earn an interest rate which is aligned to the RBA official cash rate plus a margin determined by SAFA.

### 6.2 Receivables

	2021	2020
	\$'000	\$'000
<b>Current</b>		
<b>Receivables</b>		
From government entities	4	42
From non-government entities	60	93
Less allowance for doubtful debts	-	-
<b>Total receivables</b>	<b>64</b>	<b>135</b>
Prepayments	91	104
Accrued revenues	2,670	547
<b>Total current receivables</b>	<b>2,825</b>	<b>786</b>

No amounts within receivables are expected to be recovered more than 12 months after reporting date.

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables, prepayments and accrued revenues are non-interest bearing.

Other than as recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

The net amount of GST payable to the ATO is included as part of receivables.

Refer to note 10.3 for further information on risk management.

Accrued revenues include a \$1.782 million insurance payment recognised in 2020-21 that relates to a COVID 19 related business interruption claim for the period 1 July 2020 to 24 March 2021 lodged with SAICORP. Payment was received in July 2021.

#### *Impairment of receivables*

	2021	2020
	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>	-	-
Increase in allowance recognised in the profit or loss	9	2
Amounts written off	(9)	(2)
<b>Carrying amount at the end of the period</b>	<b>-</b>	<b>-</b>

Refer to note 10.3 for details regarding credit risk and the methodology for determining impairment.

# West Beach Trust

## 7. Liabilities

Employee benefits liabilities are disclosed in note 2.4.

### 7.1 Payables

	2021	2020
	\$'000	\$'000
<b>Current</b>		
Creditors	513	847
Accrued expenses	1,027	735
GST payable	218	(16)
Employment on costs	88	49
<b>Total Current payables</b>	<b>1,846</b>	<b>1,615</b>
<b>Non-current</b>		
Employment on costs	78	83
<b>Total Non-current payables</b>	<b>78</b>	<b>83</b>
<b>Total payables</b>	<b>1,924</b>	<b>1,698</b>

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts billed but unpaid. Creditors are normally settled within 30 days. Employment on-costs are settled when respective employee benefits that they relate to are discharged. All payables are non-interest bearing. The carrying amount of payables approximates the net fair value due to the amounts being payable on demand.

The net amount of GST recoverable from the ATO is included as part of payables.

#### **Employment on-costs**

Employment on-costs include payroll tax, Return to Work SA levies and superannuation contributions. The Trust makes contributions to State Government superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the average factor for the calculation of employer superannuation cost on-costs has changed from the 2020 rate of 9.8% to 10.1%. These rates are used in the employment on-cost calculation. The net financial effect of the change in employer superannuation on-cost rates is an increase in the employment on-costs of \$2,000.

There is a net increase in the employment on-costs payable of \$34,000. This is primarily due to increases in accrued salaries and wages and annual leave liability, in comparison to the previous year.

### 7.2 Fees received in advance

	2021	2020
	\$'000	\$'000
<b>Current</b>		
Fees received in advance	1,593	1,346
<b>Total Fees received in advance</b>	<b>1,593</b>	<b>1,346</b>

This amount represents accommodation tariff deposits and booking payments, annual golf membership playing rights and annual boat launch permit fees collected in advance. The advance portion of any payment of lease and licence fees for use of parcels of land and buildings across the precinct is also included.



# West Beach Trust

## 7.3 Borrowings

	2021	2020
	\$'000	\$'000
<b>Current</b>		
Borrowings from SA Government	389	542
Lease liabilities	134	128
<b>Total current borrowings</b>	<b>523</b>	<b>670</b>
<b>Non-current</b>		
Borrowings from SA Government	8,127	8,133
Lease liabilities	1,068	1,201
<b>Total non-current borrowings</b>	<b>9,195</b>	<b>9,334</b>
<b>Total borrowings</b>	<b>9,718</b>	<b>10,004</b>

The Trust measures financial liabilities including borrowings/debt at historical cost. All interest bearing liabilities have been sourced from the SA Government Financing Authority.

All material cash outflows are reflected in the lease liabilities disclosed above.

### ***Borrowings from SA Government***

These are unsecured loans which do bear interest. The terms of the loan were approved by Treasurer at the time the loan were provided.

The Trust has a \$8,517,000 (2019-20 \$8,675,000) loan facility with the South Australian Government Financing Authority. At the time of preparing the Financial Statements, the Trust still has \$1.1m in loan funding to drawdown on the \$1.75m Treasurer approved loan funding to construct new Cabins at the West Beach Parks Retreat. Construction of these Cabins was completed in November 2020.

The Trust has a \$2,500,000 (2019-20 \$2,500,000) working capital facility with the South Australian Government Financing Authority. As at 30 June 2021 there were no drawings on this facility (2019-20 \$Nil).

# West Beach Trust

## 8. Other disclosures

### 8.1 Equity

The asset revaluation surplus is used to record increments and decrements in the fair value of property and plant and equipment to the extent that they offset one another. Relevant amounts are not transferred to retained earnings when an asset is derecognised.

### 8.2 Cash flow

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Total cash outflows for leases was \$128,000 (2020: \$52,000).

#### *Reconciliation of net result to cash flows from operating activities*

	2021	2020
	\$'000	\$'000
<b><u>Reconciliation of cash and cash equivalents at the end of the reporting period:</u></b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	2,078	1,932
<b>Balance as per the statement of Cash Flows</b>	<b>2,078</b>	<b>1,932</b>

#### **Reconciliation of net cost of providing services to net cash provided by operating activities:**

Net result from providing services	1,713	1,139
<b>Add/less non cash items</b>		
Depreciation and amortisation expense of non-current assets	3,176	3,091
Gain/loss on sale or disposal of non-current assets	6	15
Expensing of items previously classified as work in progress	38	-
Property, plant and equipment write-offs	-	9
<b><u>Movement in assets and liabilities</u></b>		
(Increase)/decrease in receivables	(2,040)	(455)
(Increase)/decrease in inventories	(4)	(7)
Increase/(decrease) in payables	226	624
Increase/(decrease) in fees received in advance	247	(146)
Increase/(decrease) in employee benefits	63	(170)
<b>Net cash provided by operating activities</b>	<b>3,425</b>	<b>4,100</b>

# West Beach Trust

## 9. Outlook

### 9.1 Unrecognised contractual commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value

#### *Capital commitments*

	2021 \$'000	2020 \$'000
Within one year	-	1,203
<b>Total capital commitments</b>	<b>-</b>	<b>1,203</b>

The Trust's has no major capital commitments as at the reporting date. The prior year commitments related to the construction of new cabins at the West Beach Parks Retreat, construction of which was completed in November 2020.

#### *Expenditure commitments*

	2021 \$'000	2020 \$'000
Within one year	6	6
Later than one year but not longer than five years	-	6
<b>Total expenditure commitments</b>	<b>6</b>	<b>12</b>

The Trust's expenditure commitments are for computer equipment which has been classified as a low value lease given the underlying asset value of the equipment being leased is low.

#### *Operating leases receivable*

	2021 \$'000	2020 \$'000
<u>Commitments in relation to operating lease income contracted for at the reporting date but not recognised as assets are receivable as follows:</u>		
Within one year	684	683
Later than one year but not longer than five years	1,485	1,671
Later than five years	4,967	5,214
<b>Total operating leases receivable</b>	<b>7,136</b>	<b>7,568</b>

All operating leases receivable of \$7,136,000 (\$7,568,000) are from entities external to the SA government, and are for parcels of land and buildings leased to various sporting organisations and commercial operators.

### 9.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

The Trust is not aware of any contingent assets or liabilities.

### 9.3 Impacts of standards and statements not yet effective

The Trust has assessed the impact of new and changed Australian Accounting Standards Board Standards and Interpretations not yet effective, and there is no expected impact on the Trust's general purpose financial statements.

# West Beach Trust

## 9.4 COVID-19 pandemic outlook for the Trust

The COVID-19 pandemic will continue to impact the operations and financial position of the Trust during 2021-22.

Both accommodation properties continue to be impacted by border closures, interstate lock downs and the cancellation of a number of local and national events and group activities.

Cost control strategies are continuing but it should be noted that there is an increased cost associated with operating in a COVID-19 environment, especially cleaning and hygiene requirements. The Trust has attempted to return to a near normal capital works programme in 2021-22 however with projects scheduled throughout the year to mitigate any major COVID-19 impacts.

The fragility of the economic climate, consumer confidence and continued border closures is also a concern for interstate domestic travel, noting that the Trust's key interstate markets are Victoria and NSW.

The 7 day lock down in South Australia during July 2021, has had an impact on the July results due to Accommodation and group booking cancellations. This is expected to continue into August 2021 however the Trust continues to build on its marketing strategies in order to attract and retain new business.

## 9.5 Events after the reporting period

The Trust is not aware of any events after the end of the reporting period that will have a material financial impact except for COVID-19 related lock downs referred to in Note 9.4 above. The Trust's response to a lock down is now streamlined with a COVID response established. The trust continues to be nimble in order to return back from a lockdown period quickly (in line with Government restrictions) and continue to activate Marketing plans to ensure that the Trust continues to attract and return new business to compensate for interstate travellers and lockdowns.

# West Beach Trust

## 10. Measurement and risk

### 10.1 Long service leave liability – measurement

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

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA government entities.

*AASB 119 Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 2020 (0.75%) to 2021 (1.25%).

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

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 2.5% for long service liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$104,000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The portion of estimated long service leave that is classified as current is based on an assessment of the pattern of leave taken or paid out over the last 10 years.

### 10.2 Fair value

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

#### *Initial recognition*

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position.

#### *Revaluation*

Property, plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation.

The policy of the Trust is that land, buildings and improvements will be revalued by an external professionally qualified valuer every 5 years. A valuation was undertaken as at 30 June 2019 in line with this policy. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

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

# West Beach Trust

## ***Fair value hierarchy***

The Trust classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

- Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market and are derived from unobservable inputs.

The Trust's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

All property, plant and equipment of the Trust are categorised in Level 3.

## ***Land and buildings and improvements***

An independent valuation of land and buildings and improvements was performed in February 2019 by a Certified Practising Valuer from Jones Lang Lasalle SA Pty Ltd, as at 30 June 2019.

The valuer used adjusted market value for land and depreciated replacement cost for buildings and improvements, due to there not being an active market for such land and buildings. The depreciated replacement cost considered the need for ongoing provision of government services; specialised nature of the assets, including the restricted use of the assets; the size, condition, location and current use of the assets. The valuation was based on a combination of internal records, specialised knowledge and the acquisition/transfer costs.

## ***Plant and equipment***

Plant and equipment acquisitions have been recognised at cost. The carrying value of plant and equipment is deemed to approximate fair value. These assets are classified in level 3 as there has been no subsequent adjustments to their value, except for management assumptions about the assets condition and remaining useful life.

# West Beach Trust

## 10.3 Financial Instruments

### *Financial risk management*

Risk is managed by the application of the West Beach Trust Risk Management Framework.

The Trust's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

### *Liquidity risk*

Liquidity risk arises where the Trust is unable to meet its financial obligations as they are due to be settled. The Board, Executive and Senior Management are responsible for monitoring and ensuring its operations are prudently maintained. Liquidity is managed on a daily basis and monthly reports are submitted to the Board, Executive and Senior Management and the Department of Treasury and Finance. The Trust generally settles undisputed accounts within 30 days from the date of invoice or the date the invoice is first received. In the event of a dispute, payment is generally made 30 days from resolution.

An assessment of liquidity risk has been undertaken by the Chief Executive Officer and General Manager Corporate Services and based on past experience and knowledge of seasonal trends, management is confident that the Trust will be able to meet its financial obligations as and when they fall due. Cash flow updates are included in the Trust's Board papers provided to Board members monthly.

Refer to notes 7.1 and 7.3 for further information

### *Credit risk*

Credit risk arises when there is the possibility of the Trust's debtors defaulting on their contractual obligations resulting in financial loss to the Trust. The Trust measures credit risk on a fair value basis and monitors risk on a regular basis.

The Trust has minimal concentration of credit risk. The Trust has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The Trust does not engage in high risk hedging for its financial assets.

### *Impairment of financial assets*

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The Trust uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances.

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, the Trust considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Trust's historical experience and informed credit assessment, including forward-looking information.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Trust is exposed to credit risk.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

## West Beach Trust

Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the Trust and a failure to make contractual payments within a reasonable time frame.

There were no receivables written off during the year that are still subject to enforcement activity

The Trust considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties and therefore the expected credit loss is nil.

### ***Market risk***

The Trust does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. The Trust does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the government's risk management strategy articulated in *TI 23 Management of Foreign Currency Exposures*.

Exposure to interest rate risk may arise through its interest bearing liabilities, including borrowings. The Trust's interest bearing liabilities are managed through the South Australian Government Financing Authority (SAFA) and any movement in interest rates are monitored on a regular basis. There is no exposure to foreign currency or other price risks.

There have been no changes in risk exposure since the last reporting period.

### ***Categorisation of financial instruments***

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.



# West Beach Trust

## Classification of financial instruments

The Trust measures all financial instruments at amortised cost.

	2021	2021 Contractual maturities		
	Carrying amount/ Fair value	Within 1 year	1-5 years	More than 5 years
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
<b>Cash and equivalent</b>				
Cash and cash equivalent	2,078	2,078	-	-
<b>Financial assets at amortised cost</b>				
Receivables	88	88	-	-
<b>Total financial assets</b>	<b>2,166</b>	<b>2,166</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>				
<b>Financial liabilities at amortised cost</b>				
Payables	712	712	-	-
Fees received in advance	1,593	1,593	-	-
Borrowings	8,516	392	1,627	6,497
Lease liabilities	1,202	134	445	623
<b>Total financial liabilities</b>	<b>12,023</b>	<b>2,831</b>	<b>2,072</b>	<b>7,120</b>

	2020	2020 Contractual maturities		
	Carrying amount/ Fair value	Within 1 year	1-5 years	More than 5 years
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
<b>Cash and equivalent</b>				
Cash and cash equivalent	1,932	1,932	-	-
<b>Financial assets at amortised cost</b>				
Receivables	98	98	-	-
<b>Total financial assets</b>	<b>2,030</b>	<b>2,030</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>				
<b>Financial liabilities at amortised cost</b>				
Payables	534	534	-	-
Fees received in advance	1,346	1,346	-	-
Borrowings	8,675	542	1,480	6,653
Lease liabilities	1,329	128	500	701
<b>Total financial liabilities</b>	<b>11,884</b>	<b>2,550</b>	<b>1,980</b>	<b>7,354</b>

## Receivables and payables

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. Commonwealth and State taxes, fees and charges). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levy receivables/payables, tax equivalents, commonwealth tax etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts are carried at cost.

The receivables amount disclosed here excludes prepayments. Prepayments are not financial assets as defined in AASB 132 as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.