



# Annual 19 Report

**The Hon Tim Whetstone**

*Minister for Primary Industries and Regional Development*  
Minister for Agriculture, Food and Fisheries  
Minister for Forests  
Minister for Regional Development

**The Hon Steven Marshall**

*Premier*  
Minister for Aboriginal Affairs and Reconciliation  
Minister for Defence and Space Industries  
Minister for The Arts  
Minister for Veterans' Affairs  
Minister for Multicultural Affairs

**The Hon Vickie Chapman**

*Deputy Premier*  
*Attorney-General*  
Minister for Justice Reform  
Minister for Consumer and Business Affairs

**The Hon Rob Lucas**

*Treasurer*  
Minister for Industrial Relations  
Minister for The Public Sector  
Minister for Finance

**The Hon John Gardner**

*Minister for Education*  
Minister for Education and Child Development  
Minister for Higher Education and Skills – TAFE functions

**The Hon David Ridgway**

*Minister for Trade, Tourism and Investment*  
Minister for Health Industries  
Minister for Tourism  
Minister for Investment and Trade

**The Hon David Van Holst Pellekaan**

*Minister for Energy and Mining*  
Minister for Mineral Resources and Energy

**The Hon Michelle Lensink**

*Minister for Human Services*  
Minister for Communities and Social Inclusion  
Minister for Social Housing  
Minister for The Status of Women  
Minister for Youth  
Minister for Volunteers  
Minister for Disabilities

**The Hon David Pisoni**

*Minister for Innovation and Skills*  
Minister for Workforce Training and Skills  
Minister for Innovation and Entrepreneurship  
Minister for Science and Information Economy  
Minister for Apprenticeships and Traineeships  
Minister for Creative Industries  
Minister for Skilled Migration

**The Hon Stephen Wade**

*Minister for Health and Wellbeing*  
Minister for Health  
Minister for Ageing  
Minister for Mental Health and Substance Abuse

**The Hon Rachel Sanderson**

*Minister for Child Protection*  
Minister for Child Protection Reform  
Minister for Education and Child Development –  
Child Protection functions

**The Hon Corey Wingard**

*Minister for Police, Emergency Services and Correctional Services*  
Minister for Recreation, Sport and Racing  
Minister for Police  
Minister for Correctional Services  
Minister for Emergency Services  
Minister for Road Safety  
Minister for Recreation and Sport  
Minister for Racing

**The Hon David Speirs**

*Minister for Environment and Water*  
Minister for Sustainability, Environment and Conservation  
Minister for Water and the River Murray  
Minister for Climate Change

**The Hon Stephan Knoll**

*Minister for Transport, Infrastructure and Local Government*  
*Minister for Planning*  
Minister for Transport and Infrastructure  
Minister for Housing and Urban Development  
Minister for City of Adelaide  
Minister for Local Government



An Australian Government Initiative



An Initiative of  
**Government of  
South Australia**

# Table of Contents

Title	Page Number
Role of RDA	4
Funding Partners	5
Chair's Report	6
Chief Executive Officer Report	7
Regional Profile	8
Regional Priorities	10
Project Highlights	12
Board Members	21
Organisational Chart	22
Publications and Submissions	23
Audited Financial Statements 2018/2019	24



## Who we are?

Regional Development Australia (RDA) is a partnership between the Australian, State and Local Governments to support the growth and development of Australia's regions.

The Adelaide Hills, Fleurieu and Kangaroo Island region covers a total land area of 8,754 square kilometres and a population of 127,975.

RDA Committees are non-profit, community-based organisations that build partnerships between governments, regional development organisations, local businesses, community groups and key regional stakeholders to provide strategic and targeted responses to economic, environmental and social issues affecting the regions of Australia.

## Our Vision

RDA Adelaide Hills, Fleurieu and Kangaroo Island region is an economically prosperous region made up of resilient local communities providing homes and jobs for healthy, engaged populations who are well connected to each other, to services and economic opportunities.

## Our Purpose

Our committee of local people with diverse skills and broad networks, is committed to developing and growing the region's economy and liveability by:

- Consulting and engaging with the community and economic, social and environmental issues, competitive advantages, solutions and priorities
- Exploring and promoting economic and employment growth including contributing to business development, trade, funding access and investment attraction
- Being a first point of contact for government agencies, providing advice on local issues, competitive advantages, solutions and priorities
- Promoting government policies, programs, services, grants and initiatives to the regional community





# Funding Partners

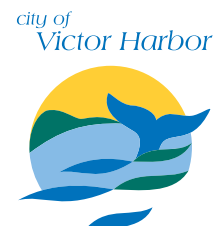
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**Government of  
South Australia**



# Partners

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# Chairs Report

*James Sexton*

The past year has seen exceptional activity in our area driven by a strong tourism sector and confidence in our agricultural sector.

Our delegation to the Middle East resulted in a container of fresh produce being sent over as an initial step.

We have a very strong working relationship with local and federal ministers and the newly appointed minister for regions is on the ball.

The Victor Harbor causeway rebuild announced by Stephan Knoll MP, Minister for Transport, Infrastructure and Local Government ensures the continuation of major tourism drawcard for Victor Harbor.

The RDA State conference at The Bend Motorsport Park was well attended and highlighted a major state tourism drawcard the Bend raceway has become.

Many of our regions are suffering from drought which is impacting their communities.

The recycled water horticultural precinct being driven by Mount Barkers surplus storm water and wastewater is coming together at Callington with the Hillgrove group, local farmers and orchardists agreeing on suitable land and estimated plantings of cherry and apple trees. The storage dam is to build on Hillgrove land at a yet to be determined area of the site. This is an outstanding project which will create a surge in jobs in this area while solving Mount Barkers wastewater disposal problems.

The opening of Lot 100 the Mismatch microbrewery, 78 degrees Gin Distillery, Adelaide Hills Apple Cider and Interloper wines with a major restaurant and wedding venue has been a huge tourism drawcard with up to 1,500 visitors a weekend.

The new Mount Barker District Council rural DPA zoning rules were instrumental in getting this successful operation up and running.

Major tourism projects such as the Heysen Gallery at Hahndorf secured \$9 million in Federal government funding to build an art gallery and visitor centre with a restaurant and will become a strong drawcard for tourism in the state.

We have had meetings with Stephan Knoll MP, Minister for Transport, Infrastructure, and Local Government regarding Hahndorf traffic issues and the Heysen Boulevard interconnector road for Mount Barker, both require major works to rectify the growing problem of congestion.

Our RDA is working closely with all levels of government and stakeholders to continue the success of our region moving forward.





## CEO Report

*Damien Cooke*

The 2018/19 year was the first year of our new funding agreement with Regions SA and the South Australian Government. We commenced work on our four key projects under this funding agreement. This includes the Middle East Trade and Investment program, The Autonomous Vehicle trials and Industry Futures. All programs are running to schedule and have seen initial reports to Regions SA. Regions SA also announced an extension to RDA program funding to June 2022.

The Federal Government have renewed their commitment to the RDA network since the Coalition formed Government. We have a new Minister appointed, The Hon Nola Marino MP, Assistant Minister for Regional Development and Territories.

The election campaign saw a number of Ministerial visits to the region. There were several funding commitments to projects in the region from the Federal Government which are welcomed.

RDA AHFKI have continued to work with Councils and businesses in the region to develop investment proposals for infrastructure projects. These proposals are being used to attract investment into the region now and in coming years. In addition to this, we have worked with local businesses on trade opportunities in the Middle East and lead a successful trade mission to the UAE and Qatar.

We commissioned a study into the Regions public transport needs and this report was presented to the Department of Transport, Infrastructure and Planning.

It has been twelve months since the State Government ceased its funding for the training and employment services we delivered. Youth unemployment continue to be a serious issue in our region, and we will continue to drive awareness of this issue to the SA Government.

Our peak body in South Australia, Regional Development South Australia, have been working closely with the State and Federal Governments in promoting key infrastructure priorities across the State.

I am excited about the future for this RDA and I look forward to the outcomes we can deliver over 2019/20. We will continue to work with all our funding partners so that together, we can deliver strong and sustainable positive economic growth for our region. The certainty provided by longer term funding agreements ensures we can continue to work on longer term plans and projects that continue to deliver growth and prosperity to our region.

I would like to thank the staff and the Board for their commitment and efforts over 2018/19 and I look forward to their continued support into 2019/20.



# Regional Profile

Area 8,754.1 km<sup>2</sup>

7 Council LGA's

Population 127,975

2018 ABS ERP

Gross Regional Product \$5.08 billion

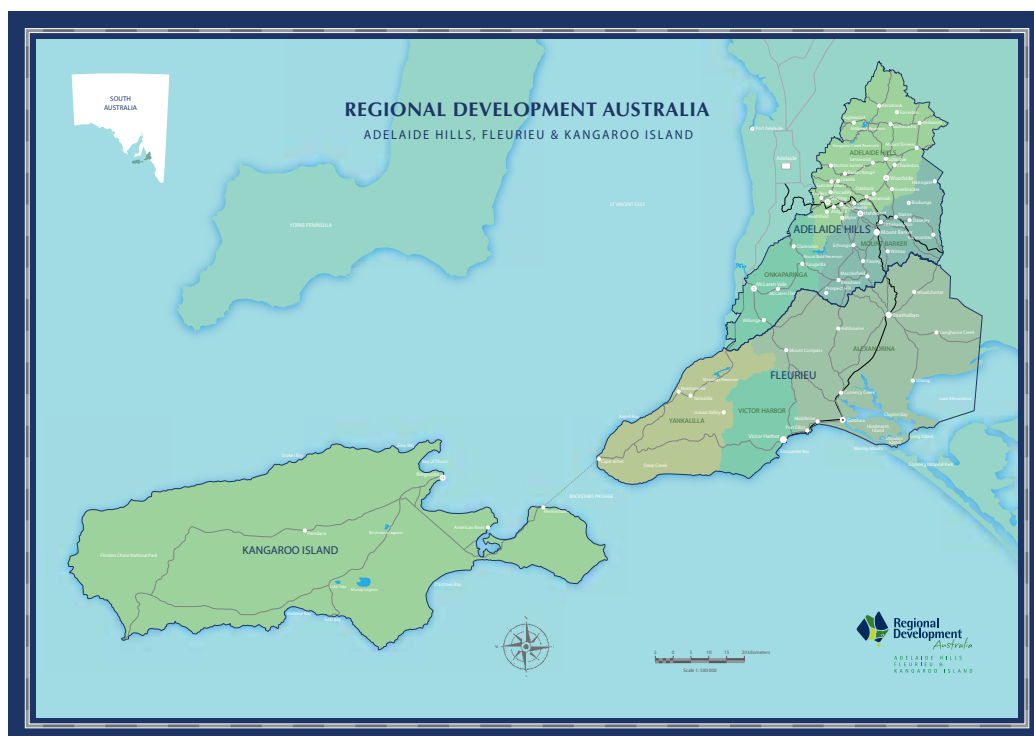
NIEIR 2018

Employed Residents 62,280

NIEIR 2018

ABN's Registered 11,297

ABS 2018



RDA AHFKI region is extraordinarily diverse. It ranges from the lush Adelaide Hills with its wineries and picturesque valleys and Mount Barker at its centre; one of the fastest growing communities in Australia. To the Fleurieu Peninsula capturing McLaren Vale and Langhorne Creek, two of Australia's premium wine districts and the beautiful beach resorts along the coast. The pristine environment of Kangaroo Island that makes up our community.







# Regional Priorities

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## 1. Economic Development

Strong economic growth in the region driven by servicing the growing population and leveraging off comparative advantage with a special focus on industries and businesses with the potential to increase investment

- Growth of profitable service industries and wealth generating industries including the attraction of investment in major enterprises and the development of regional value chains and supply chains located strategically around hubs where there is critical mass.
- Recognition of the region's ageing population as a comparative advantage rather than a challenge, offering strong consumer base for new business development and a source of potential new business operators and mature aged employees' part of the region's economic development.
- Investment and export growth is successful and established regional industries like food and wine, tourism, horticulture, mineral resources, new industries like those driven by technology such as the knowledge Intensive Service Sector and Industries relate to emerging regional strengths like healthy ageing services.

## 2. Population Growth

Well planned and managed regional growth with well serviced communities

- Regional collaboration and appropriate governance leading regional strategic planning and infrastructure development based on commonly held place-based planning principles
- Timely provision of essential public infrastructure and utilities for fast growing urban communities along with commercial services driven by market forces and community and government services

## 3. Health and Wellbeing

Health regional communities enjoying a safe and active lifestyle with high levels of amenity

- A range of affordable housing matched to the needs of the demographic within the population and well connected to appropriate services
- High levels of community participation in a range of options including social activity like recreation and sport, community benefit activity like volunteering and commercial activity like paid work

## 4. Access

Well-connected regional communities freely accessing services, social opportunities, jobs and commercial markets

Effective transport and communications infrastructure to facilitate:

- Good access to appropriate community, commercial and government services and facilities for residents and businesses
  - Good access to and from isolated parts of the region with special emphasis on gateways like ports and transport interconnectors that encourage access to markets and supply centres for key industries

## 5. Skills

Highly skilled, highly participatory regional forces matched to the needs of regional industry and business

- A regional labour force with skills that align with the current and foreshadowed skills needs of the region's industries and businesses including new skills in response to the opportunities presented by new technologies, particularly in information and communication technology

## 6. Regional Jobs

More regional jobs for regional residents with less commuting leading to a greater contribution of the region's labour force to the regional economy

- Business growth in the region, recognising opportunities in micro and small business, supported by effective regional employment land (use) planning and coupled with growth in the proportion of regional jobs filled by the region's resident labour force.

## 7. Innovation

Strong foundation of connected, innovative small business taking advantage of an early mover status in the NBN roll out and populations of highly skilled professionals in the region

- More small, nimble and innovative businesses across a range of existing and new industries responding to new technologies, emerging market opportunities and changes to customer preferences

## 8. Natural Environment

Well managed unique natural environment, valued as an asset in the social and economic development of the region and protected for future generations

- Proactive response to climate change aimed at optimising benefits and minimising risks
- Strong biosecurity maintained as a comparative advantage for the region's primary industries along with the protection
- Enhancement of natural assets like high yielding primary production land and landmark tourism assets



# Project Highlights

## ● ● ● 'Elliot' Autonomous Vehicle Trial ● ● ●

Australia's first driverless mobility service in a retirement lifestyle village launches at Elliot Gardens in regional South Australia.

To investigate the market viability of autonomous vehicles in the retirement village context, Aurigo, in collaboration with Regional Development Australia, launched a trial at the Lendlease owned Elliot Gardens Retirement village at Port Elliot (South Australia).

The trial was supported by the Government of South Australia Department of Planning, Transport & Infrastructure (DPTI) and the Alexandrina Council.

The Global Centre for Modern Ageing (GCMA) conducted independent research with the aim to:

1. Uncover residents' attitudes and perceptions towards autonomous vehicles;
2. Investigate the usage of an autonomous vehicle in a retirement village setting, including reasons for use and non-use;
3. Understand the user experience of the autonomous vehicle; and
4. Explore ideas for future autonomous vehicles.



323 residents of which 115 opted in for a ride



Ranging from 65 to 96 years



3 residents, 1 chaperone

10km/hr – limited for trial

Attitudes towards autonomous vehicles were mainly positive – before the trial, 85% of words associated with autonomous vehicles were positive or neutral, increasing to 92% after the trial.

There is considerable potential for autonomous vehicle in an ageing market environment, with people being excited and positive about the technology and seeing them as a suitable vehicle replacement.

Moving forward, trials should ensure that the people and contexts have a need for autonomous vehicles by providing greater convenience than existing transport options. There are also several service and design considerations that may improve the experience and utilisation rates across a range of settings.





## ● ● ● Hills & Coast Grant Finder ● ● ●

Access to funding is critical for ongoing economic development in the region. Grants are an important source of funding but to find a suitable grant, someone would have to visit and scroll through multiple government and other grant sites. RDA AHFKI along with the region's councils have joined forces with Australia's most powerful grant search engine, GrantGuru, to launch a one-stop-shop website portal in July 2019 called Hills & Coast Grant Finder (H&CGF).

For the first time, Council staff across our region are using H&CGF to search, stay informed and manage grant pipelines for their council. GrantGuru estimates only 3% of businesses commit ongoing resources to monitor grant opportunities and we expect the ease of use and practical tools provided by H&CGF to increase this proportion. Similarly, community groups including sporting clubs and Not for Profits can better identify and manage their approach to sourcing grant funding.

The site is free to businesses and community groups and features grant search tools, tips for finding and applying for grants to maximise chances of receiving funding, a directory of professional grant writers that service the region, email alerts for grants that meet their requirements, and tools to manage their applications.

The H&CGF build on another regional deal led by RDA AHFKI which provides our councils and communities with economic and demographic data as well as economic modelling tools, all of which are free and beneficial in supporting grant applications. In addition, RDA AHFKI are planning grant writing workshops to further increase our community's ability to put together compelling grant applications.

[www.rdahc.grantguru.com.au](http://www.rdahc.grantguru.com.au)



## Regional Public Transport Study

Public transport is a ubiquitous topic of interest across the RDA AHFKI region. Whether discussing road congestion, lack of connections between townships, tourism accessibility, school and work commutes, ability for youth to access training opportunities and work, or access to health, public transport is often regarded as not meeting the needs and expectations of our communities.

The District Council of Mount Barker initiated a study, driven by a fast-growing population and increasing road congestion. RDA AHFKI regionalised the study to include the Adelaide Hills and Fleurieu Peninsula with support from additional councils in those areas. GTA Consultants successfully tendered for the work which was undertaken during 2018-2019.

The overall study objective was to determine future demand and develop a series of public transport options for the region through evidence-based analysis, stakeholder engagement and workshops.

Extensive consultations conducted during the study included:

- Consultation with Council staff
- Online community survey (>1,300 submissions)
- Stakeholder workshop (by invitation) to develop the public transport options and solutions
- Short-list options workshop with Councils

The report provided recommendations for the improvement of regional public transport across governance/contracting, routes and services, fares and ticketing, information/promotion, infrastructure, innovation and new technology.

For the Adelaide Hills sub-region, recommendations of the study included introduction of a bus rapid transit (BRT) service, additional study into improvement of the regions Park and Ride infrastructure and a local bus route study for the growing township of Mount Barker.

For the Fleurieu Peninsula sub-region, recommendations of the study included a new coastal bus service between Goolwa and Victor Harbor, and better connections from Yankalilla to Aldinga and Seaford.

For both sub-regions, recommendations were made in relation to introducing a common, one-stop website for all public transport information, the combining of tourist and public transport information sites in Adelaide, integrated fare treatment between metro and regional zones, implementation of tourism packages with public transport services to events and attractions and finally, trial of on-demand bus services.

RDA AHFKI are taking a proactive role communicating and advocating the study recommendations to key stakeholders including;

- Minister for Transport, Infrastructure, Local Government and Planning at Government of South Australia
- Department of Planning, Transport and Infrastructure (DPTI) including, CEO Tony Braxton-Smith
- Bus companies, in particular those likely to tender for future bus contracts









## Trade and Investment Project (MENA)

This included successful implementation of the trade and investment program into the Middle East North Africa (MENA) region. RDA had commissioned Asia Australis to do a high-level study of key markets in the Middle East that would be suitable for our region. (Report – Middle East Trade and Investment Strategy – 2018 RDA AHFKI) Three countries were identified as the prime opportunities for vegetables, fruit, dairy, meat products and beverages. These markets were the United Arab Emirates, Saudi Arabia and Qatar. Secondary markets were Kuwait and Oman. They also identified a number of investment opportunities including bottling plants, tourism hotel accommodation and horticulture joint ventures. The recommendation was that we conduct an in-depth desktop study of the cultural regulatory financials logistics and commercial issues related to each country.

RDA commissioned Veronica Coram, a PhD candidate at Adelaide University to carry out this work for us. This report was published in January 2019. (Exporter Guide, Kingdom of Saudi Arabia, Qatar and United Arab Emirates, RDA AHFLKI 2019)

These reports are available from RDA Website [www.rdahc.com.au](http://www.rdahc.com.au)

RDA AHFKI led an outbound delegation in early 2019 for on-ground fact-finding, relationship-building in UAE & Qatar. This saw several SA delegates attending to UAE (Gulf Foods, Austrade meetings, private conducts and site tours) and in Qatar (Trade Event, Australian Embassy support, site tours and private contacts).

The outcome was fantastic, within two months the first shipment being 1.5 tonnes of fresh produce exported direct to Qatar in early May and sold through within 24 hours. The produce was well received and included Cucumbers, Cherry Tomatoes, Lemons, Capsicums, Apples, Table Grapes, Carrots, Leek and Potatoes. There was an extreme appreciation for the quality soils and compost (Peats Group) and packing (IG Fresh).



### Australia to play key role in QR1.6bn food security project

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Univille's Ambassador to Qatar, Ambassador of AHFKI, Qatar Chamber of Commerce and Industry, Minister of Agriculture and Fisheries, and other prominent business leaders, including international experts, visited the Australian Consulate in Doha, Qatar, to discuss the project and the role of Australia in the food security project. The project is a joint venture between the Australian Government and the Qatari Government, aimed at developing a large-scale food production facility in Qatar.





## ● ● ● Delivery of Catalytic Infrastructure ● ● ●

The RDA AHFKI Regional Roadmap 2016-2019 has been a key guiding plan for our office. It outlines our regional strategic plan, governance arrangements and our regional infrastructure plan. Despite not being a required plan moving forward, RDA AHFKI expect to maintain such a plan in recognition of the importance of infrastructure to our region.

A key aspect of the regional infrastructure plan is the upkeep of the regions evolving needs and opportunities for infrastructure. This is achieved through the Economic Development Network, a working group consisting of RDA, SHLGA, Regions SA and council economic development staff. RDA have taken the initiative to refocus this group with a review of its terms of reference which includes a focus on development and maintaining a database of regional infrastructure needs which will be used in RDA reporting as well as to inform SHLGA, State and Federal government. It will also allow the group and RDA to prioritise the regions infrastructure needs and identify projects for which RDA may be able to undertake economic modelling



## ● ● ● Industry Futures ● ● ●

Informed, resourced industries with effective workforces are critical for ongoing growth of the region. Through our own and others research of our business communities we know there are many challenges impacting on growth. It is also clear that in some sectors, there are workforce issues impacting the growth of businesses and services organisations. As well, there is government interest at all levels in regional settlement of migrants.

The Industry Futures program incorporates:

- Providing governments at all levels with local advice and intelligence to support development of migration and settlement policies
- Workforce development with key industries being impacted by lack of skills and labour, including work on a proposal for a study hub on the Fleurieu Peninsula
- Business training including delivery of the Australian Government Digital Solutions program
- Improved access to capital including through improved grant awareness, skills and support through launch and promotion of the Hills & Coast Grant Finder portal
- Providing general business advice and linkages
- Working with industry associations on specific industry issues and opportunities
- RDA AHFKI website update to maximise access across all devices, make clearer the role of RDA and refresh and update resources for our stakeholders and communities







AURRIGO

DRIVERLESS TECHNOLOGY

Elliot



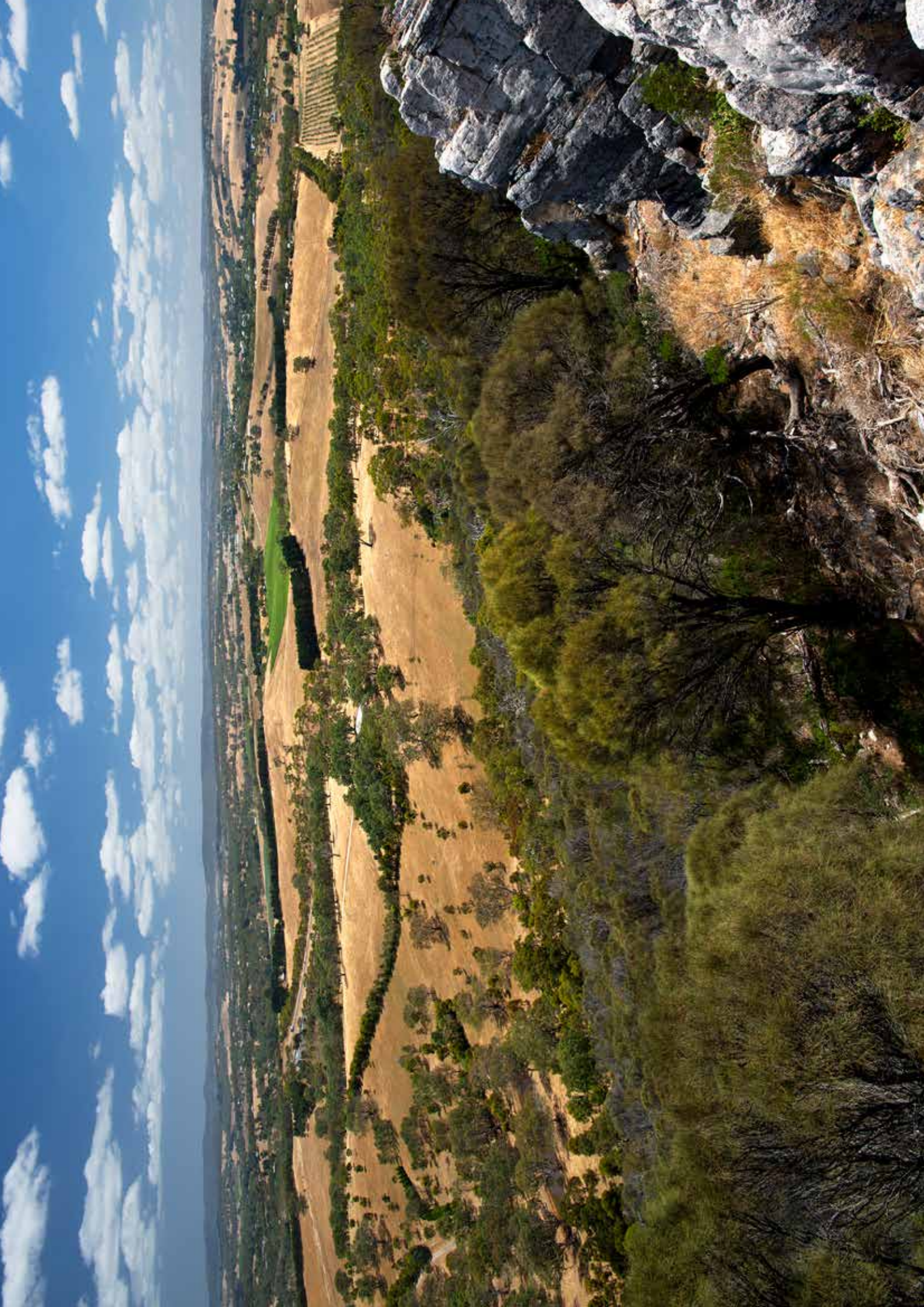
SOUTH  
AUSTRALIA



AURRIGO  
DRIVERLESS TECHNOLOGY

podzero







# Board Members



James Sexton  
Chairman



John Ashcroft  
Committee Member



James Walters  
Committee Member



Victoria MacKirdy  
Deputy Chair



Peter Wadewitz  
Committee Member



Susie Green  
Committee Member



Glenn Rappensberg  
Treasurer

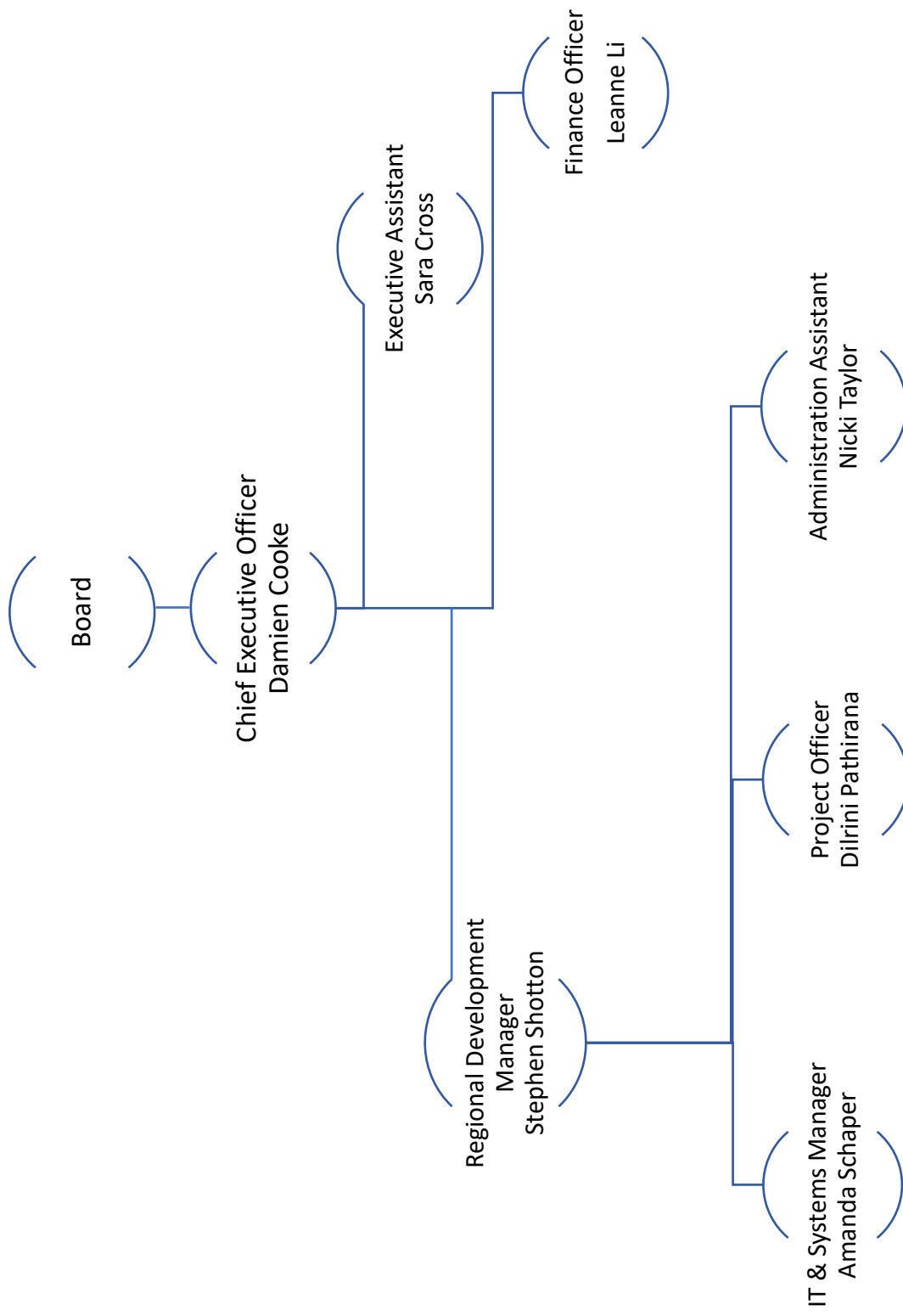


Nigel Morris  
Committee Member



Lorraine Rosenberg  
Secretary

# Organisational Chart



## *Publications*

- Regional Roadmap Vol. 1 2016-19
- Regional Roadmap Vol. 2 & Appendices 2016-19
- Exporter Guide; Kingdom of Saudi Arabia, Qatar and United Arab Emirates
- Adelaide Hills and Fleurieu Peninsula Regional Public Transport Study

## *Submissions*

- Electric Vehicle Strategy for South Australia
- Regional Accelerator Music Program (RAMP)
- South Australian Regional Development Strategy
- Vocational Pathway to Employment

## *Vale*



*In Memory of  
Mr Greg Waller  
Committee Member*



# Audited <sup>18</sup> Financial <sup>19</sup> Statements



## **INDEPENDENT AUDITOR'S REPORT**

**To the members of the Regional Development Australia Adelaide Hills Fleurieu and Kangaroo Island Inc.**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the accompanying financial report, being a special purpose financial report, of the Regional Development Australia Adelaide Hills Fleurieu and Kangaroo Island Inc. (the entity), which comprises the Board's Report, the Statement by Members of the Board, the Profit & Loss Statement for the period ended 30 June 2019, the Statement of Financial Position, the Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2019, and of its financial performance for the year then ended in accordance with the accounting policies used and described in Note 1 to the financial statements and the *Associations Incorporation Act (SA) 1985*.

#### **Basis for Opinion**

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

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

#### **Emphasis of Matter – Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is a special purpose financial report that has been prepared for the purpose of fulfilling the Board's financial report responsibilities under the *Associations Incorporation Act (SA) 1985*. As a result the financial report may not be suitable for another purpose. Our report is intended solely for the entity and should not be distributed to or used by parties other than the entity. Our opinion is not modified in respect of this matter.

#### **Responsibilities of Management for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the need of the Board. Management's responsibility also includes such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

**DEAN NEWBERY & PARTNERS**  
**CHARTERED ACCOUNTANTS**



**JIM KEOGH**  
**PARTNER**

Signed on the 8<sup>th</sup> day of October 2019,  
at 214 Melbourne Street, North Adelaide

## Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.

### BOARD'S REPORT

Your committee members submit the financial report of Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc. for the financial year ended 30 June 2019.

#### Board Members

The names of Board members at the date of this report are:

James Sexton	Victoria MacKirdy
Glenn Rappensberg	Greg Waller (Resigned on 15 <sup>th</sup> July 2019)
John Ashcroft	Nigel Morris
Peter Wadewitz	James Walters
Susie Green	Lorraine Rosenberg
Luke Gray (Appointed on 16 <sup>th</sup> Sep 2019)	

#### Principal Activities

The principal activities of the Incorporated Body during the financial year were to assist in securing a strong and sustainable economic, social and environmental future for the region by:

- Economic Development
- Community Engagement
- Regional Planning
- Whole Government Approach
- Government Programs

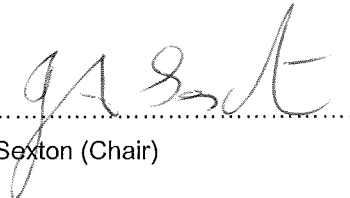
#### Significant Changes

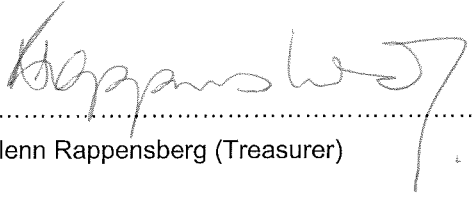
No significant change in the nature of these activities occurred during the year.

#### Operating Result

The operating surplus for the year amounted to \$30,561.

Signed in accordance with a resolution of the members of the Board.

  
James Sexton (Chair)

  
Glenn Rappensberg (Treasurer)

Dated 24 of 09 2019



**Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.**

**STATEMENT BY MEMBERS OF THE BOARD**

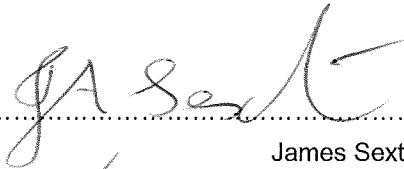
The Board has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board the Financial Report as set out on pages 3 to 11:

1. Presents a true and fair view of the financial position of Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc. as at 30 June 2019 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc. will be able to pay its debts as and when they fall due.

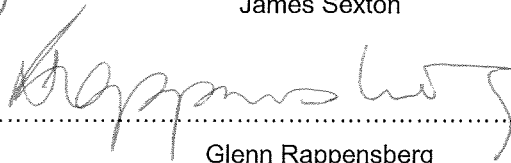
This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Chair



James Sexton

Treasurer



Glenn Rappensberg

Dated 24 of 09 2019

# Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.

## STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
<b>Income</b>			
Funding	2	522,483	511,383
Bank Interest		4,735	6,301
General Project Income		681,077	826,746
Sundry Income	3	109,117	231,196
Total Income		<u>1,317,412</u>	<u>1,575,626</u>
<b>Expenditure</b>			
Audit fees		6,245	6,000
Board Expenses		26,562	23,740
Depreciation Expense		31,301	45,263
Employment Expenses	4	387,371	480,029
Other Operational Expenses	5	125,331	128,730
Project Expenses		681,077	826,746
Rent & Rates		28,964	32,178
		<u>1,286,851</u>	<u>1,542,686</u>
<b>Surplus/ Deficit for the year</b>		<u>30,561</u>	<u>32,940</u>

# Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
<b>Current Assets</b>			
Cash & Cash Equivalents	6	475,516	545,036
Trade & Other Receivables	7	17,028	21,929
<b>Total Current Assets</b>		<u>492,544</u>	<u>566,965</u>
<b>Non Current Assets</b>			
Property Plant & Equipment	8	<u>92,226</u>	<u>149,834</u>
<b>Total Non Current Assets</b>		<u>92,226</u>	<u>149,834</u>
<b>Total Assets</b>		<u>584,769</u>	<u>716,799</u>
<b>Current Liabilities</b>			
Trade & Other Payables	9	<u>99,863</u>	<u>264,426</u>
<b>Total Current Liabilities</b>		<u>99,863</u>	<u>264,426</u>
<b>Non Current Liabilities</b>			
Provision for Long Service Leave		<u>34,858</u>	<u>32,785</u>
<b>Total Non Current Liabilities</b>		<u>34,858</u>	<u>32,785</u>
<b>Total Liabilities</b>		<u>134,721</u>	<u>297,312</u>
<b>Net Assets</b>		<u>450,049</u>	<u>419,488</u>
<b>Equity – Retained Earnings</b>		<u>450,049</u>	<u>419,488</u>



# **Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.**

## **Notes to the Financial Statements for the period ended 30 June 2019**

### **Note 1: Statement of Significant Accounting Policies**

The financial report is a special purpose financial report for distribution to the members to fulfill the Board's the financial reporting requirements under the Association's constitution and the Associations Incorporation Act (SA) 1985. The Board has determined that the Association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (SA) 1985 and the following Australian Accounting Standards:

- AASB 101: Presentation of Financial Statements
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 110: Events after the Balance Sheet Date
- AASB 1048: Interpretation of Standards
- AASB 1053: Application of tiers of Australian Accounting Standards
- AASB 1054: Australian Additional Disclosures

No other applicable Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial statements have been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements.

#### **(a) Presentation of the Financial Report**

Funds received in relation to the programmes administered on behalf of funding partners are not available for the benefit of the association. A liability is recorded for all unspent funds at each reporting date.

An income and expenditure statement is presented for the Association's own separate operations. This statement includes transactions between the Association and the programmes administered by the Association on behalf of its funding partners. Income and expenditure statements are not prepared for each of the programmes as it is considered that the association is incurring the income and expenditure as agent for the funding partner.

#### **(b) Impairment of Assets**

At each reporting date the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired.

#### **(c) Property, Plant & Equipment**

Plant and Equipment is measured on the cost basis less depreciation.

All assets, excluding freehold land and buildings, are depreciated over their useful lives to the Association.

**Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.**

**Notes to the Financial Statements  
for the period ended 30 June 2019**

**Note 1: Statement of Significant Accounting Policies (Cont.)**

**(d) Employee Benefits**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Provision for entitlement arising from long service leave has been recognized for all employees with 5 or more years of service.

**(e) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

**(f) Income Tax**

No provision has been made for income tax as the Association is exempt under the Income Tax Assessment Act 1936 as amended and Income Tax Assessment Act 1997.

**(g) Goods and Services Tax (GST)**

Revenue, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances GST is recognized as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

**(h) Projects and Liabilities**

The Association has amended its accounting practices relating to the treatment and disclosure of project revenue and liabilities which has been effective as from 1 July 2011. The Association now records a liability for all unspent project funds received as at reporting date which are required to be repaid to funding bodies should works not be completed or all monies spent. Project revenues are now only recognized when either services rendered have been completed or where expenditures relating to the project have been incurred.

**(i) Motor Vehicles**

New motor vehicles for the use of executive staff have been acquired by the Association under mortgage facility agreements with St George Finance Limited.

Each of these motor vehicles is measured on original cost less depreciation. Depreciation has been calculated using a prime cost method over the useful life of the asset being the period from the acquisition date to 30 June 2019, or earlier by agreement with the financier.

The 30 June 2019 represents both the usual termination of the loan agreement and the end of the Association's Funding Agreement. The recoverable amount for each vehicle at termination date is calculated using a recognised independent valuation service and approved by the financier.



**Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.**

**Notes to the Financial Statements  
for the period ended 30 June 2019**

**Note 1: Statement of Significant Accounting Policies (Cont.)**

**(j) Economic Dependency**

The Association is dependent on Grants Revenue received from the Department of Infrastructure & Regional Development (Commonwealth Federal Government) and contributions from local councils to fund the ongoing operations of the Association. Total Grant Revenue received from government agencies in the 30 June 2019 financial year amounted to \$522,483 (2018/19: \$511,384).

Department of Infrastructure and Regional Development funding for Regional Economic Development agreement expires 31/12/2020.

Local Government (Alexandrina Council, City of Victor Harbor, District Council of Yankalilla, Kangaroo Island Council, Adelaide Hills Council, Mount Barker District Council, and Onkaparinga Council) funding for Regional Economic Development agreement expires 30/06/2019.

Should the Association not secure funding or a reduced level of funding in future years, it may impact on the ability of the Association to continue operating as a going concern.

**Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.**

**Notes to the Financial Statements  
for the period ended 30 June 2019**

	Notes	2019 \$	2018 \$
<b>Note 2: Funding</b>			
<b>Core Funding Government</b>			
DITRDLC – Core Funding		222,345	218,433
<b>Core funds – Local Government</b>			
Alexandrina Council		56,000	54,600
City of Victor Harbor		35,700	34,800
District Council of Yankalilla		13,600	13,250
Kangaroo Island Council		7,500	7,500
Adelaide Hills Council		63,038	61,500
Mount Barker District Council		62,800	61,300
Onkaparinga Rural		61,500	60,000
Total Funding		<u>522,483</u>	<u>511,383</u>
<b>Note 3: Sundry Income</b>			
Gain on Disposal of Assets		8,158	8,122
Sundry Income		13,117	9,345
Project Expense Recoveries		87,843	202,562
Fleurieu Peninsula Tourism Expense Recoveries		-	-
Trainee Grant		-	11,167
Total Sundry Income		<u>109,117</u>	<u>231,196</u>
<b>Note 4: Employment Expenses</b>			
Gross Wages (net of recoveries)		399,353	425,359
Fringe Benefits Tax		12,663	12,815
Superannuation (net of recoveries)		39,881	47,332
Payroll Tax		-	-
Annual Leave		(26,312)	(16,314)
Long Service Leave Provision		(38,214)	10,837
Total Employment Expenses		<u>387,371</u>	<u>480,029</u>

**Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.**

**Notes to the Financial Statements  
for the period ended 30 June 2019**

	Notes	2019 \$	2018 \$
<b>Note 5: Other Operational Expenses</b>			
Advertising, Marketing & Promotion		9,340	2,899
Bank Fees		351	1,334
Bad Debt (liquidation of Hindmarsh Island Ltd.)		-	1,381
HP Borrowing Fees		515	804
HP M/V Interest Paid		117	2,083
Cleaning & Hygiene		2,821	2,842
Consultancy Fees		1,789	2,345
Electricity		4,808	5,473
Information Technology		13,184	17,650
Insurance		9,956	11,728
Legal Fees		-	-
Meetings, Seminars, Workshops & Conferences		16,273	7,778
Membership & Subscriptions		7,853	8,407
Motor Vehicles		16,253	18,758
Office Equipment Rental & Maintenance		2,405	840
Office Supplies, Stationery & Printing		1,608	4,720
Postage & Freight		643	589
Repairs & Maintenance		1,095	1,135
Sponsorship		10,000	5,000
Staff & Visitor Amenities		3,546	1,887
Storage (Archive)		2,734	2,868
Sundry		1,112	2,273
Telephones & Communications		9,980	14,345
Training & Staff Development		1,217	2,225
Travel & Accommodation		7,733	9,366
RDA Strategic Planning		-	-
Total Other Operational Expenses		<u>125,331</u>	<u>128,730</u>

**Note 6: Cash & Cash Equivalents**

Bank Cheque Account	59,326	<b>158,937</b>
Express Save Account	288,818	<b>262,163</b>
Term Deposit Account	130,233	<b>127,628</b>
Cash on Hand	39	<b>200</b>
Visa Account	(2,900)	<b>(3,892)</b>
Total Cash & Cash Equivalents	<u>475,516</u>	<u><b>545,036</b></u>



**Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.**

**Notes to the Financial Statements  
for the period ended 30 June 2019**

	<b>Notes</b>	<b>2019 \$</b>	<b>2018 \$</b>
<b>Note 7: Trade &amp; Other Receivables</b>			
Account Receivable		12,698	15,356
Prepayments		4,330	6,573
Total Trade & Other Receivables		<u>17,028</u>	<u>21,929</u>
<b>Note 8: Property, Plant &amp; Equipment</b>			
Office Furniture & Equipment		68,151	68,151
Less Accumulated Depreciation		<u>(55,328)</u>	<u>(46,570)</u>
		12,823	21,581
Motor Vehicles		103,561	167,908
Less Accumulated Depreciation		<u>(24,158)</u>	<u>(39,654)</u>
		79,403	128,254
Total Property, Plant & Equipment		<u>92,226</u>	<u>149,834</u>
<b>Note 9: Trade &amp; Other Payables</b>			
Creditors & Accrued Expenses		42,380	97,944
Funding Grants in Advance		-	-
Projects Unspent	9.1	(22,550)	14,442
Provision for LSL		18,329	58,616
Accrued Wages & Superannuation		20,209	28,696
Annual Leave Provision		25,775	52,086
GST Payable		6,993	(15,738)
PAYG Withholding		8,728	14,816
Motor Vehicles HP		-	14,092
Less Unexpired Charges Bank SA		-	(429)
Total Trade & Other Payables		<u>99,863</u>	<u>264,426</u>

**Regional Development Australia Adelaide Hills, Fleurieu & Kangaroo Island Inc.**

**Notes to the Financial Statements  
for the period ended 30 June 2019**

**Note 9.1: Project Unspent**

	<b>Opening Balance</b>	<b>Monies Received</b>	<b>Monies Expended</b>	<b>Closing Balance</b>
Skills & Emplmnt Network	8,034		8034	-
Practical App to Region17-18	(22,244)	22244		-
Regionl Digital Ent 17-18	(8,782)	8782		-
Electrical Highway 17-18	(19,536)	19536		-
Tapping Demo Divid 17-18	40,216		40216	-
Invest attraction 17-18	(10,903)	10903		-
Indust Leader Group 17-18	18,067		18067	-
Work Indivi Assist17-18	9,591		9591	-
Youth 2 Work 17-18	0	4018	4018	-
Invest Attraction 18-19	-	226,656	249,206	(22,550)
Industry futures 18-19	-	124,616	124,616	-
Regional Map& Infra 18-19	-	44,060	44,060	-
Regional Digital Enter 18-19	-	79,787	79,787	-
AH & FL Transport Options 18-19	-	89,000	89,000	-
Electric Highway 18-19	-	13,983	13,983	-
	14,442	644,085	681,077	(22,550)

**Note 10: Events occurring after reporting date**

The Members are not aware of any significant events since the end of the reporting period.

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