

S-G13 Related Party Disclosure Policy

Purpose	To outline what is expected of elected members and staff of Flinders Council in relation to Australian Accounting Standard AASB 124 Related Party Disclosures (AASB 124).	
Department	Governance	
File No.	GOV/1000	
Council Meeting Date	24 May 2023	
Minute Number	131.05.2023	
Next Review Date	Within four years of the date of adoption.	
Review History	193.08.2017	17 August 2017
	84.03.2023	22 March 2023

1. Definitions

Key Management Personnel (KMP)

Persons having authority and responsibility for planning, directing and controlling the activities of Flinders Council, directly or indirectly. In the council context this includes the Mayor, other Councillors, the General Manager and senior council officers as outlined in the procedure.

Related Party of Council

People and entities, such as companies, trusts and associations, can be related parties of Council. Most commonly these will be entities related to Council, KMP of Council (including elected members), close family members of KMP and entities that are controlled or jointly controlled by KMP or their close family members.

Related Party Transaction

A transfer of resources, services or obligations between Flinders Council and a related party, regardless of whether a price is charged.

2. Objective

To ensure that Flinders Council's financial statements disclose dealings with related parties and transactions and outstanding balances, including commitments, with such parties that may have affected its financial position and profit or loss.

3. Scope

This Policy applies to all Key Management Personnel of Flinders Council.

4. Policy

From 1st July 2016, local governments (councils) must disclose related party relationships, transactions and outstanding balances, including commitments, in their annual financial statements as per the Australian Accounting Standard AASB 124 *Related Party Disclosures* (AASB 124).

It is the policy of the Flinders Council to:

- 4.1. Establish, review and maintain a list of Key Management Personnel (KMP);
- 4.2. Establish, review and maintain a Related Party Transactions Register for Council; and
- 4.3. Disclose related party relationships, transactions and outstanding balances, including commitments, in Council's annual financial statements.

5. Procedure

The Related Party Disclosure Procedure provides the guidelines by which the General Manager (or Corporate Services Coordinator when it relates to the General Manager) will implement the Related Party Disclosure Policy.

Where there is an inconsistency between this Policy and the Related Party Disclosure Procedure, the provisions of this Policy shall take precedence over the provisions of the Related Party Procedure.

6. Legislation and Council Related Policies

Local Government Act 1993

Australian Accounting Standard AASB 124 *Related Party Disclosures* (AASB 124)

7. Responsibility

The responsibility for this policy rests with the General Manager.