

Policy title	Related Party Disclosures Policy
Responsible manager(s)	Director Commercial and Corporate Services
Contact officer(s)	Divisional Manager Finance
Directorate	Commercial and Corporate Services
Approval date	11 October 2022
Outcome area	2 Our community that welcomes, celebrates, and supports everyone.
Strategy	2.3 Provide rich learning opportunities and experiences
Delivery Program link	2.3.2 Provide quality library services, programs and resources, as identified in the Eurobodalla Library Strategic Plan
Operational Plan link	2.3.2.5 Deliver programs that improve skill in financial and health literacies, living sustainably and general wellbeing

Purpose

The purpose of the policy is to ensure that the existence of certain related party relationships and associated related party transactions, necessary for the users to understand the potential effects on the Financial Statements, are properly identified.

They should be recorded in Council's systems, and summarily disclosed in Council's General Purpose Financial Statements in compliance with *Australian Accounting Standards Board AASB 124 Related Party Disclosures July 2015 (AASB 124)*, the *Privacy and Personal Information Protection Act 1998 (PPIPA)* and the *Government Information (Public Access) Act 2009 (GIPA Act)*.

Policy aims

Council, in complying with the disclosure requirements in AASB 124, will;

- identify related party relationships, related party transactions and ordinary citizen transactions;
- identify information about the related party transactions for disclosure;
- establish systems to capture and record the related party transactions and information about those transactions;
- identify the circumstances in which disclosure of the items in the first two point above are required and;
- determine the disclosures to be made about those items in the General Purpose Financial Statements for the purpose of complying with AASB 124.

Policy details

1	<p>Application</p> <p>This policy applies to those who have authority and responsibility for planning, directing and controlling the activities of Council and entities controlled by Council, including elected Councillors, the General Manager, Directors, and close family members who can be expected to influence or be influenced by the aforementioned key management persons.</p>
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Implementation

Requirements	Responsibility
<p>1 AASB 124 Disclosure Requirements</p> <p>1.1 Disclosures</p> <p>To comply with AASB 124, for annual periods on or after 1 July 2016, Council will make the following disclosures in its General Purpose Financial Statements:</p> <ul style="list-style-type: none"> (a) Relationships between Council and its subsidiaries, irrespective of whether there have been transactions between them. (b) Key management personnel (KMP) compensation in total and for each of the following categories: <ul style="list-style-type: none"> (i) Short-term employee benefits; (ii) Post-employment benefits; (iii) Other long term benefits; and (iv) Termination benefits. (c) The information specified in Section 1.2 for related party transactions with the following persons during the period covered by the Financial Statement: <ul style="list-style-type: none"> (i) Council subsidiaries; (ii) Entities who are associates of Council or of a Council subsidiary; (iii) Joint ventures in which Council or a Council subsidiary is a joint venturer; (iv) Council’s KMP; (v) Other related parties, comprising: <ul style="list-style-type: none"> - A close family member of a KMP of Council; - Entities controlled or jointly controlled by a KMP of Council; - Entities controlled or jointly controlled by a close family member of a KMP of Council. <p>1.2 Disclosed Information</p> <p>For each category of related party transactions specified in Section 1.1 (c), Council will disclose the following information in Council’s General Purpose Finance Statements:</p> <ul style="list-style-type: none"> (a) The nature of the related party relationship; (b) The amount of the transactions; (c) The amount of outstanding balances, including commitments, and: 	<p>Responsible Accounting Officer</p>

	<ul style="list-style-type: none"> (i) Their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and (ii) Details of any guarantees given or received; (d) Provisions for doubtful debts related to the amount of outstanding balances; and (e) The expenses recognised during the period in respect of bad or doubtful debts due from related parties. <p>1.3 Disclosed in Aggregate or Separate</p> <p>For each related party category specified in Section 1.1 (c), Council will disclose information specified in Section 1.2 for related party transactions of a similar nature in aggregate except when separate disclosure is necessary for an understanding of the effects of related party transactions in the Financial Statements of Council, having regard to the following criteria:</p> <ul style="list-style-type: none"> (a) the nature of the related party relationship (b) the significance of the transaction (individually or collectively) in terms of size or value (including where the materiality arises due to the fact that no consideration for the transaction is given or received by Council) (c) whether the transaction is carried out on non-arm's length terms (d) whether the nature of the transaction is outside normal day-to-day business operations. <p>Based on factors and thresholds under the direction of the Responsible Accounting Officer in consultation with Council's external auditor.</p>	
<p>2</p>	<p>Identifying Council Related Party Relationships and Transactions</p> <p>2.1 Identification</p> <p>The Responsible Accounting Officer is responsible for identifying Council subsidiaries, associates and joint ventures (incorporated and unincorporated) from the Related Entities Register, a document which is prepared to substantiate Note 19 of the Financial Statements 'Interests in Other Entities'.</p> <p>2.2 Control or Joint Control</p> <p>To determine whether Council has control or joint control of an entity, the Responsible Accounting Officer is responsible for applying AASB 10 Consolidated Financial Statements and AASB 11 Joint Arrangements.</p> <p>2.3 Associate or Joint Venture</p> <p>To determine whether an entity is an associate of, or in a joint venture with, Council or a Council subsidiary the Responsible Accounting Officer</p>	<p>Responsible Accounting Officer</p>

	<p>is responsible for applying AASB 128 Investments in Associates and Joint Ventures.</p> <p>2.4 Electronic Investigation</p> <p>The Responsible Accounting Officer is responsible for investigating through Council’s business system whether any identified Council subsidiaries, associates or joint ventures have an existing related party transaction with Council.</p> <p>2.5 Information Extraction</p> <p>The Responsible Accounting Officer is responsible for identifying and extracting information specified in Section 1.2 against each existing related party transaction in Council’s business systems for the purpose of recording the related party transactions and associated information in a register of related party transactions.</p> <p>2.6 Manual Investigation and Recording of Information</p> <p>For related party transactions that are not captured by Council’s business systems, the Responsible Accounting Officer is responsible for manually reviewing the transactional documentation and record the information specified in Section 1.2 for the subject transaction in the register of related party transactions.</p>	
<p>3</p>	<p>Identifying Related Party Transactions with KMP and their close family members</p> <p>3.1 Related Party Disclosures</p> <p>KMP must provide a related party disclosure in the form set out in Attachment A, notifying any existing or potential related party transactions between Council and either themselves, their close family members or entities controlled or jointly controlled by them or any of their close family members, subject to Section 3.5 (below) to the Corporate Manager Governance and Administrative Services by no later than the following periods during a financial year (Specified Notification Period):</p> <ul style="list-style-type: none"> (a) 30 days after the commencement of the application of this policy (b) 30 days after a KMP commences their term or employment with Council (c) 30 November each year (d) 30 June each year. <p>3.2 Related Party Disclosure Form</p> <p>At least 30 days before a specified notification period, the Corporate Manager Governance and Administrative Services will provide KMP with a Related Party Disclosure Form (Attachment A) and Privacy Collection Notice (Attachment B).</p> <p>3.3 Suspected Related Party Transactions</p>	<p>Responsible Accounting Officer and Corporate Manager Governance and Administrative Services</p>

	<p>If a KMP suspects that a transaction may constitute a related party transaction, the KMP should provide a related party disclosure to the Corporate Manager Governance and Administrative Services for consideration and determination.</p> <p>3.4 Other Notifications</p> <p>The notification requirements in Section 3 are in addition to the notifications a KMP must comply with:</p> <ul style="list-style-type: none"> (a) For councillors, the Code of Conduct, and (b) Senior Executive Officers who are KMP, the Code of Conduct, and (c) The disclosure of interests in a written return pursuant to Section 450A of the <i>Local Government Act 1993</i> and <i>Local Government (General) Regulation 2005</i>. <p>3.5 Exclusions</p> <p>The notification requirement in Section 3 do not apply to:</p> <ul style="list-style-type: none"> (a) related party transactions that are ordinary citizen transactions not assessed as being material as determined under Section 4; and (b) The Councillors Expenses and Facilities Policy, the particulars of which are contained in Council's Annual Report pursuant to the <i>Local Government (General) Regulation 2005</i>, clause 207. <p>3.6 Information Extraction</p> <p>The Responsible Accounting Officer is responsible for identifying information specified in Section 1.2 against each notified related party transaction in Council's business systems for the purpose of recording the related party transactions and associated information in the register of related party transactions.</p> <p>3.7 Other Sources of Information</p> <p>To ensure all related party transactions are captured and recorded, the Responsible Accounting Officer is responsible for reviewing, if required, other sources of information held by Council including, without limitation:</p> <ul style="list-style-type: none"> (a) a register of interest of the KMP and persons related to the KMP (b) minutes of Council and committee meetings (c) Council's Contracts Register. <p>3.8 Manual Investigation and Recording of Information</p> <p>For notified related party transactions that are not captured by Council's business systems, the Responsible Accounting Officer is responsible for manually reviewing the transactional documentation and record the information specified in Section 1.2 for the subject transaction in the register of related party transactions.</p>	
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<p>4</p>	<p>Ordinary Citizen Transactions</p> <p>4.1 Non-material in Nature</p> <p>A KMP is not required to notify in a related party disclosure and Council will not disclose in its Financial Statements, related party transactions that are ordinary citizen transactions assessed to be not material in nature.</p> <p>4.2 Material in Nature</p> <p>A KMP is required to notify in a related party disclosure and Council will disclose in its Financial Statements in accordance with Section 1, related party transactions that are ordinary citizen transactions assessed to be material in nature.</p> <p>4.3 Materiality Assessment</p> <p>The Responsible Accounting Officer is responsible for reviewing and assessing the materiality of related party transactions that are ordinary citizen transactions to determine whether the disclosure of such transactions are necessary for an understanding of the effects of the related party transactions on the Financial Statements having regard to criteria specified in Section 1.3. As a general rule, Council will utilise \$50,000 as a threshold for materiality.</p> <p>4.4 Information Extraction</p> <p>The Responsible Accounting Officer is responsible for identifying information specified in Section 1.2 against each notified related party transaction that is an ordinary citizen transaction assessed as being material in nature in Council’s business systems for the purpose of recording the related party transactions and associated information in a register of related party transactions.</p>	<p>Responsible Accounting Officer</p>
<p>5</p>	<p>Register of Related Party Transactions</p> <p>5.1 Maintain a Register</p> <p>The Responsible Accounting Officer is responsible for maintaining and keeping up to date a register of related party transactions that captures and records the information specified in Section 1.2 for each existing or potential related party transaction (including ordinary citizen transactions assessed as being material in nature) during a financial year.</p> <p>5.2 Contents of Register</p> <p>The contents of the register of related party transactions must detail for each related party transaction:</p> <ul style="list-style-type: none"> (a) the description of the related party transaction (b) the name of the related party 	<p>Responsible Accounting Officer</p>

	<p>(c) the nature of the related party's relationship with Council</p> <p>(d) whether the notified related party transaction is existing or potential</p> <p>(e) a description of the transactional documents the subject of the related party transaction</p> <p>(f) the information specified in Section 1.2.</p> <p>The Responsible Accounting Officer is responsible for ensuring that the information specified in Section 1.2 is disclosed in Council's Financial Statements to the extent, and in the manner stipulated by AASB 124, subject to Section 1.3.</p>	
<p>6</p>	<p>Information Privacy</p> <p>6.1 Confidential</p> <p>The following information is classified as confidential and is not available for inspection by or disclosure to the public. It would also not be released via access application made under the <i>Government Information (Public Access) Act 2009</i> (GIPA Act) where Council decides there is an overriding public interest against its disclosure:</p> <ul style="list-style-type: none"> (a) information (including personal information) provided by a KMP in a related party disclosure; and (b) personal information contained in a register of related party transactions. <p>6.2 When Consent is Required</p> <p>Except as specified in the policy, Council and other permitted recipients will not use or disclose personal information provided in a related party disclosure by a KMP or contained in a register of a related party transactions for any other purpose or to any other person except with the prior written consent of the subject KMP.</p> <p>6.3 Permitted Recipients</p> <p>The following persons are permitted to access, use and disclose the information (including personal information) provided in a related party disclosure or contained in a register of related party transactions for the purposes specified in Section 6.4:</p> <ul style="list-style-type: none"> (a) General Manager (b) Directors (c) Responsible Accounting Officer (d) Corporate Manager Governance and Administrative Services (e) Professional Conduct Reviewers (f) an Auditor of Council (including an Auditor from the NSW Auditor General's Office) (g) other Council Officers as delegated by the General Manager. <p>6.4 Permitted Purpose</p>	<p>Corporate Manager Governance and Administrative Services</p>

	<p>A person specified in Section 6.3 may access, use and disclose information (including personal information) in a related party disclosure or contained in a register of related party transactions for the following purposes:</p> <ul style="list-style-type: none"> (a) to assess and verify a notified related party transaction (b) to reconcile identified related party transactions against those notified in a related party disclosure or contained in a register of related party transactions (c) to comply with the disclosure requirements of AASB 124 (d) to verify compliance with disclosure requirements of AASB 124. 	
7	<p>Government Information (Public Access) Act 2009 (GIPA Status)</p> <p>7.1 No Public Inspection</p> <p>The following documents are not open to or available for inspection by the public:</p> <ul style="list-style-type: none"> (a) related party disclosures provided by a KMP; and (b) a register of related party transactions. <p>7.2 Not GIPA – accessible</p> <p>An access application under the GIPA Act seeking access to:</p> <ul style="list-style-type: none"> (a) a document or information (including personal information) provided by KMP in a related party disclosure; or (b) personal information contained in a register of related party transactions; <p>will be refused where the document contains information for which Council decides there is an overriding public interest against disclosure, pursuant to the table at section 14 of the GIPA Act.</p>	<p>Corporate Manager Governance and Administrative Services</p>
8	<p>Staff</p> <p>Under supervision, relevant Council staff will be responsible for ensuring that this policy is implemented appropriately within their work area, after they have received appropriate training to do so.</p>	<p>Council officers</p>
5	<p>Concerns</p> <p>Customer concerns regarding the Related Parties Disclosures Policy will be recorded on the Customer Request Management system and handled in accordance with Council’s Customer Requests Management Procedure so inquires can be responded to.</p>	<p>Council officers</p>
6	<p>Consultation</p> <p>Any consultation deemed necessary will occur as required with key stakeholders, which may include (but not be limited to) the community, other agencies, statutory and industry bodies. Public submissions</p>	<p>As applicable</p>

	regarding this policy are invited for consideration during the exhibition period.	
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Review

This policy will be reviewed every 4 years. It may also be reviewed and updated as necessary if legislation requires it; or when Council's related policies, functions, structure or activities change; or when technological advances or new systems change the way that Council manages related party disclosure as determined by *AASB 124 Related Party Disclosures, July 2015*.

The policy may be revoked at the expiration of twelve months after the declaration of the poll for the next general NSW local government election, unless Council updates or revokes it sooner.

Note: *The next general local government election is expected to be held in September 2024.*

Reviews of the effectiveness of this policy could include the following:

Performance indicator	Data source(s)
Delivery Program/Operational Plan outcomes achieved	Council reporting
Concerns or complaints registered	Council records
Customer feedback, survey responses	Surveys
Internal or external review	Audit

Definitions

Word/ Acronym/ Phrase	Definition
Related party	<p>Is a person or entity that is related to the entity that is preparing its financial statements (in this Policy referred to as the 'reporting entity').</p> <ul style="list-style-type: none"> • A person or a close member of that person's family is related to a reporting entity if that person: <ul style="list-style-type: none"> (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity, or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. <p>For further detail on conditions that apply to <i>related parties</i> see AASB 124. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.</p>

<p>Related party transaction</p>	<p>Is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.</p>
<p>Close members of the family of a person</p>	<p>Are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:</p> <ul style="list-style-type: none"> (a) that person’s children and spouse or domestic partner; (b) children of that person’s spouse or domestic partner; and (c) dependants of that person or that person’s spouse or domestic partner.
<p>Compensation</p>	<p>Includes all employee benefits (as defined in AASB 119 Employee Benefits) including employee benefits to which AASB 2 Share-based Payment applies. Employee benefits are all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Compensation includes:</p> <ul style="list-style-type: none"> (a) short-term employee benefits, such as wages, salaries and social security contributions, paid annual leave and paid sick leave, profit-sharing and bonuses (if payable within twelve months of the end of the period) and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for current employees; (b) post-employment benefits such as pensions, other retirement benefits, post-employment life insurance and post-employment medical care; (c) other long-term employee benefits, including long service leave or sabbatical leave, jubilee or other long service benefits, long-term disability benefits and, if they are not payable wholly within twelve months after the end of the period, profit-sharing, bonuses; and deferred compensation; (d) termination benefits; and (e) share-based payment.

Control	Is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
Joint control	Is the contractually agreed sharing of control over an economic activity.
Key management personnel	Are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.
Significant influence	Is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies. Significant influence may be gained by share ownership, statute or agreement.
Government	Refers to government, government agencies and similar bodies whether local, national or international.
A government-related entity	Is an entity that is controlled, jointly controlled or significantly influenced by a government.
Remuneration	Is compensation.
Arm's Length Terms	Terms between parties that are reasonable in the circumstances of the transaction that would result from: <ul style="list-style-type: none"> (a) neither party bearing the other any special duty or obligation; and (b) the parties being unrelated and uninfluenced by the other; and (c) each party having acted in its own interest.

Governance

This policy should be read in conjunction with any related legislation, codes of practice, relevant internal policies, and guidelines.

Related legislation and policies

Name	Link
<i>Local Government Act 1993</i>	https://legislation.nsw.gov.au/browse/inforce
<i>Local Government Act 1993, Section 413</i>	www.austlii.edu.au/au/legis/nsw/consol_act/lga1993182/s413.html

Local Government (General Regulation 2005	www.austlii.edu.au/au/legis/nsw/consol_reg/
Privacy & Personal Information Protection Act 1998	www.austlii.edu.au/au/legis/nsw/consol_act/papipa1998464/
Government Information (Public Access) Act 2009	www.austlii.edu.au/au/legis/nsw/consol_act/giaa2009368/
Accounting Standard AASB 124 July 2015 Related Party Disclosures	www.aasb.gov.au/admin/file/content105/c9/AASB124_07-15.pdf

Related external references

Name	Link
Office of Local Government	www.olg.nsw.gov.au

Supporting documents

Name	Link
Code of Conduct	www.esc.nsw.gov.au/inside-council/council/council-policies/codes/Code-of-Conduct.pdf
Councillors' Expenses and Facilities Policy	www.esc.nsw.gov.au/inside-council/council/council-policies/policies/Councillors-Expenses-and-Facilities-Policy-Nov-2015.pdf
Privacy and Information Protection Policy	www.esc.nsw.gov.au/inside-council/council/council-policies/policies/Privacy-and-Information-Protection-Policy.pdf

Change history

Version	Approval date	Approved by	Min No	File No	Change
1	25 Jul 2017	Council	17/249	E05.9513	New policy commenced, report FBD 17/053.
2	11 Oct 2022	Council	22/265	S004-T00060	Reviewed and updated (start of new Council term) Report GMR22/099.

Internal use

Responsible officer		Director Commercial and Corporate Services		Approved by	Council
Minute	22/265	Report	GMR22/099	Effective date	11 Oct 2022
File	S004-T00060	Review date	11 Oct 2022	Pages	19

Related Party Disclosure by Key Management Personnel

[**Note:** This document is confidential and is not GIPA-accessible. See Council’s Related Party Disclosure Policy]

Name of Key Management Personnel:.....

Position of Key Management Personnel:.....

Please read the Privacy Collection Notice provided with this notification, which explains what is a related party transaction and the purpose for which Council is collecting and will use and disclose, the related party information provided by you in this notification.

Please complete the table below for each related party transaction with Council that you, or a close member of your family, or an entity related to you or a close member of your family;

- a) has previously entered into and which will continue in the **##insert relevant financial year eg 2016/2017##** financial year; or
- b) has entered into, or is reasonably likely to enter into, in the **##insert relevant financial year eg 2016/2017##** financial year.

Description of Related Party Transaction	Is transaction existing/ potential?	Related Party’s Name (Individual’s or entity’s name)	Related Party’s Relationship/ Reasons why related	Description of transaction documents or changes to the Related Party Relationship

Notification

I
(Full name) (Position)

notify that, to the best of my knowledge, information and belief, as at the date of this notification, the above list includes all existing and potential related party transactions with Council involving myself, close members of my family, or entities controlled or jointly controlled by me or close members of my family, relevant to the ##insert relevant financial year Eg 2016/2017## financial year.

I make this notification after reading the Privacy Collection Notice provided by Eurobodalla Shire Council, which details the meaning of the words 'related party', 'related party transaction', 'close members of the family of a person' and, in relation to an entity, 'control' and 'joint control', and the purposes for which this information will be used and disclosed.

I permit the Responsible Accounting Officer and the other permitted recipients specified in Council's Related Party Disclosure Policy to access the register of interests of me and persons related to me and to use the information for the purposes specified in that policy.

Signature of named Key Management Personnel:.....

Date:.....

PRIVACY COLLECTION NOTICE**RELATED PARTY DISCLOSURES BY KEY MANAGEMENT PERSONNEL****Purpose of Collection, Use and Disclosure**

Effective for annual periods beginning on or after 1 July 2016, Council must disclose certain related party relationships and related party transactions together with information associated with those transactions in its general purpose financial statements, in order to comply with *Australian Accounting Standard AASB 124 Related Party Disclosures July 2015 (AASB 124)*.

Related parties include Council's key management personnel (KMP), their close family members, and any entities that they or any of their close family members control or jointly own.

A related party transaction is any transaction (whether a transfer of resources, services or obligations) between the reporting local government and any of the related parties, whether monetary or not.

If there is a related party transaction with Council applicable to a reporting financial year, AASB 124 requires Council to disclose in the financial statements the nature of the related party relationship and information about the transaction, including outstanding balances and commitments associated with the transaction. Disclosure in the financial statements may be in the aggregate and/or made separately, depending on the materiality of the transaction.

For more information about Council's disclosure requirements under AASB 124, please refer to Council's Related Party Disclosure Policy.

Notifications by Key Management Personnel

In order to comply with AASB 124, Council has adopted a policy that requires all members of its KMP to periodically provide notifications to the Divisional Manager Governance and Information of any existing or potential related party transactions between council and any of their related parties during a financial year, and any changes to previously notified related party relationships and transactions relevant to the subject financial year.

To this end, each KMP must provide a Related Parties Disclosure, in the approved form, notifying any existing or potential related party transactions between Council and any related parties of the KMP, to the Divisional Manager Governance and Information by no later than the following periods during a financial year:

- 30 days after the commencement of the application of this policy;
- 30 days after a KMP commences their term or employment with Council;
- 30 November (each year); and
- 30 June (each year).

Note, these related party disclosure requirements are in addition to the notifications KMPs are required to comply with:

- for councillors, the Code of Conduct – Councillors; and
- for other KMPs, the Code of Conduct – Staff.

This includes disclosures relating to Conflicts of Interest (Pecuniary and Non Pecuniary) and Gifts and Benefits.

Council's Auditors may audit related party information as part of the annual external audit.

For privacy and right to information status of this information, please refer to Council's Related Party Disclosure Policy.

Who are KMPS?

KMPs are persons having authority and responsibility for planning, directing and controlling the activities of Council, directly or indirectly.

For Council, KMPs include the:

- Mayor
- Councillors
- General Manager
- Directors
- Divisional Managers
- Public Officer.

Who are close family members of a KMP Person?

Close family members, or close members of the family, of a KMP are family members who may be expected to influence, or be influenced by, that person in their dealing with Council and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

Under AASB 124, close family members could include extended members of a family (such as, without limitation, a parent, grandparent, siblings, etc) if they could be expected to influence, or be influenced by, the KMP in their dealings with Council.

The following table may assist you in identifying your close family members.

Definitely a close family member	Maybe a close family member
Your spouse/domestic partner	Your brothers and sisters, if they could be expected to influence, or be influenced by, you in their dealings with Council
Your children	Your aunts, uncles and cousins, if they could be expected to influence, or be influenced by, you in their dealings with council
Your dependants	Your parents and grandparents, , if they could be expected to influence, or be influenced by, you in their dealings with council
Children of your spouse/domestic partner	Your nieces and nephews, if they could be expected to influence, or be influenced by, you in their dealings with council
Dependants of your spouse/domestic partner	Any other member of your family, if they could be expected to influence, or be influenced by, you in their dealings with council

What is an entity that I, or my close family, control or jointly control?

Entities include companies, trusts, incorporated and unincorporated associations such as clubs and charities, joint ventures and partnerships.

Control

You control an entity if you have:

- (a) power over the entity;
- (b) exposure, or rights, to variable returns from your involvement with the entity; and
- (c) the ability to use your power over the entity to affect the amount of your returns.

Example of control

Fred is the Mayor of Sunny Shire Council and owns 100% of the ordinary shares in Sunny Development Company Pty Ltd (the company).

The ordinary shares are the only shares in the company that have voting rights.

Fred controls the company because he has the power to affect the company’s decisions and the return that he will get from the company.

Fred will need to include the company on his related party disclosure.

Joint Control**Example of joint control**

Fred is the Mayor of Sunny Shire Council and owns 50% of the ordinary shares in Sunny Development Company Pty Ltd (the company).

Fred's brother Stan owns the other 50% of the ordinary shares.

Fred and Stan are the only Directors of the company and equal voting rights on the board.

Fred and Stan have joint control of the company because any decisions require the unanimous consent of them both. Fred will need to include the company on his related party disclosure and the entity related party relationship with Fred and Stan.

To jointly control an entity there must be contractually agreed sharing of control of the entity, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

In some cases, it will be obvious that you or a family member control or have joint control over an entity. In other cases it will be less clear.

If you are unsure whether you, or a close family member, has control or joint control of an entity then you should contact the Responsible Accounting Officer on #1366 for a confidential discussion.