



Related Party Transactions Notification Goldenfields Water County Council

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

Name of Key Management Person:

Position of Key Management Person:

Please read the Privacy Collection Notice provided with this notification, which explains what is a related party transaction and the purposes 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 2016/2017 financial year; or*

(b) has entered into, or is reasonably likely to enter into, in the 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

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 _____, _____ notify that, to the best of my knowledge, information and belief,
(Full name) *(Position)*

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 2016/2017 financial year.

I make this notification after reading the Privacy Collection Notice provided by the Goldenfields Water County 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" or "joint control", and the purposes for which this information will be used and disclosed.

I permit the Corporate Services Manager 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 Person: _____

Dated: _____



Privacy Collection Notice Goldenfields Water County Council

PRIVACY COLLECTION NOTICE RELATED PARTY TRANSACTIONS 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 AASB124 Related Party Disclosures*.

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

Notifications by Key Management Personnel

In order to comply with the AASB 124, Council has adopted a policy that requires all members of its key management personnel (KMPs) to periodically provide notifications to the General Manager 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 key management person (a KMP) must provide a Related Party Transactions Notification, in the approved form, notifying any existing or potential related party transactions between Council and any related parties of the KMP, to the Corporate Services Manager 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; and
- 30 June.

Also, during a financial year, a KMP must proactively notify of any new or potential related party transactions that the person knows of, or any changes to previously notified related party relationships or transactions, relevant to the subject financial year by providing to the Corporate Services Manager, additional Related Party Transactions Notifications by no later than 30 days after the person knows of the transaction or change.

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

- for councillors, the material personal interests and conflicts of interest obligations in the Local Government Act 2009 and Councillor Code of Conduct; and
- for other KMPs, the Employee Code of Conduct; and

- the notification of interests for the register of interests required to be kept under the Local Government Regulation 2012.

The Auditor General’s Office 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:

- Councillors
- General Manager
- Department Managers

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 dealings 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.

The definition of close members of the family of a person for the purpose of the AASB124 is broader than the definition of “related” in relation to a person for the purpose of a register of interests under the Local Government Regulation. For the 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.

For a related party transaction, unlike a register of interests, the related party and relationship must be disclosed for both the KMP and their close family member even if the same related party entity is held jointly or in common by them.

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

Definitely a close family member	Possibly 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 member, 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 transaction notification.

Joint control

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.

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 have 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 transaction notification and the entity's related party relationship with Fred and Stan.

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 General Manager for a confidential discussion.

[End of Privacy Collection Notice]