



Annual Report

**20  
21**



MOUNT BARKER  
DISTRICT COUNCIL





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# vision

“ The mount barker district will be recognised as being highly livable, prosperous and safe, built from a foundation of community spirit and energy, quality of lifestyle and unique heritage, environment and landscape.



# values

## **Accessibility**

Ready to listen to ideas and concerns of the individuals, groups or institutions and respond with straightforward answers.

## **Commitment**

Working hard to deliver appropriate and quality services and projects and build resilient communities.

## **Involvement**

Decision making processes are transparent and open to community scrutiny. Individuals and communities can be involved in influencing policies and local activities.

## **Fairness**

All people working, living and visiting the Mount Barker District make this a rich community and we aim to represent them equally.


## **Resourcefulness**

Making the most of Council and community assets and strengths and building on local resources by attracting investment from outside the District.

## **Long term thinking to inform decision making**

Council will consider all the consequences of decisions and ensure they reflect the Strategic Plan.  
We need to act for now and the future. Council will have regard to the long term and cumulative effects of its decisions.



A woman with dark hair, wearing a brown fur cloak, holds a long, light-colored wooden staff horizontally across her chest. She is looking upwards and to the right with a contemplative expression. The background is a scenic landscape at sunset or sunrise, with silhouettes of trees and hills against a warm, orange and blue sky. The sun is low on the horizon, creating a lens flare effect.

**It is on their traditional land  
we gather. We acknowledge  
the Peramangk Elders and  
their ongoing attachment  
they have to their land and  
the affects this loss has  
caused to their people.**

# ACKNOWLEDGE

**We desire there be  
healing, restoration and  
reconciliation as we walk  
together into a better  
future. We also pay  
respect to any other  
Aboriginal or Torres  
Strait Islander people.**





**“ We acknowledge  
and pay our respect to  
the custodians of this  
land, the Peramangk  
Aboriginal People - both  
those past and present.**

# **MENT OF COUNTRY**



# Community Profile and Population

Council's estimated resident population in 2020 was 37,744 with a population density of 0.63 persons per hectare.

The Council's population and household forecasts present what is driving population change in the community and how the population, age structure and household types will change each year between 2016 and 2036.

The forecasts are designed to provide community groups, Council, investors, business, students and the general public with knowledge to make confident decisions about the future.

The Council's population forecast for 2021 is 38,523, and is forecast to grow to 56,710 by 2036.

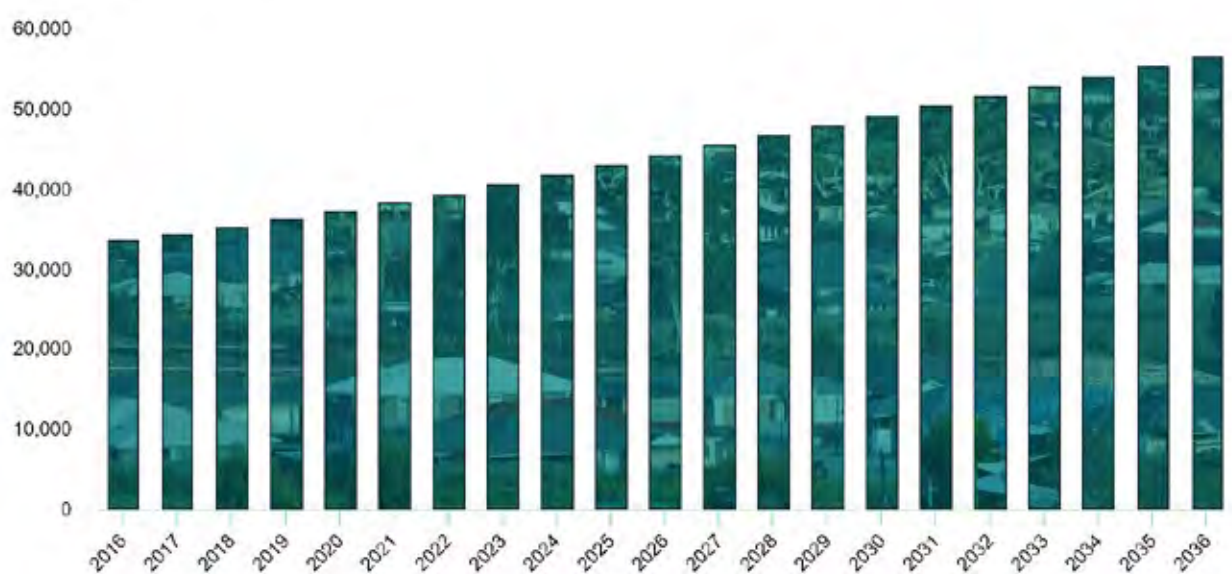
These forecasts were last evaluated in December 2020 by .id, the population experts, on behalf of the Mount Barker District Council.

Forecasts are available for each year from 2016 to 2036. Further information is available on Council's website, enabling the resident and business community to access and utilise this information.

(Population and household forecasts, 2016 to 2036, prepared by .id, November 2017).

## Forecast population

Mount Barker District Council



An aerial photograph of Summit Sport and Recreation Park. The image shows a large, circular sports field with a running track, surrounded by green grass and trees. In the background, there is a residential area with houses and a parking lot. The sky is clear and blue.

# Key Achievements

## **Summit Sport and Recreation Park**

The previously named Regional Sports Hub on Springs Road was officially named the Summit Sport and Recreation Park, construction completed and officially opened.

Licence agreements were executed with key sports groups enabling play to occur from May 2021 onwards.

# Key Achievements



## \$7.3m

of State Government funding secured for Aquatic and Leisure Centre, which combined with Federal Government commitments of \$15million, enables commencement of the detailed design and construction phase



## \$241m

worth of housing (development value) lodged compared to \$132.6 million lodged over the 2019/20 FY (82% increase)



Selection of Burke Urban Investments as Council's preferred development partner for an integrated development including town square, within the Mount Barker City Centre.



Environmental Health Officers undertaking COVID-19 Compliance Monitoring on behalf of the State Government plus Shop Local Campaign to support local business.



Environment initiatives included revegetation and bushcare activities, community nest box building and installation, grant funding success, Sustainable Living Mount Barker Program plant giveaway support for community volunteers, Roadside Vegetation marker program and development of the 'House of Tomorrow' research report

# Our Year



## \$1.46m

spent on creating new footpath links such as the new trail linking Laratinga Wetlands with the new Summit Sport and Recreation Park and renewing other footpaths across the district.



## 1,228

people received home and community care services including 9,859 hours of practical support.



## 8,717

transport trips through Hills Community Transport and the Social Options Program.





Review of elector representation boundaries largely completed in 2020/21.



850

megalitres of recycled water supplied from Council's Wastewater Treatment Plant. A review of the wastewater business was completed together with revised long term financial modelling for wastewater/recycled water.



A Procurement Strategy, Business Case and Prudential Report were all completed and endorsed for a significant wastewater trunk main and pump station (Hampden Road).

## by the numbers



3,000

people attended "Rudolph's Christmas Revolution" (a modified Covid- safe Christmas event) conducted in partnership with community groups at the Mount Barker Showgrounds



225

cat management customer requests received and actioned by Council's newly introduced cat by-law. Issues included nuisance cat behaviour, lost cats and the impacts of semi-owned cats.



\$11m

investment over the next 10 years on new footpaths to close the gaps in the network and improve accessibility and connectivity for pedestrians and cyclists as part of a new footpath strategy endorsed by Council.



\$1.5m

was spent on improving the condition of unsealed rural roads across the district with a particular emphasis on roads in the Harrogate and Brukunga area.



Laratinga Wetlands was expanded with the creation of a new cell fed exclusively from recycled water. This has created additional mud flats to support the habitat of the many wading birds that reside in this area.

## Mayor

**Mayor Ann Ferguson**  
OAM, FAICD, JP



## North Ward Councillors

**Narelle Hardingham**  
**David Leach**  
**Harry Seager**  
**Simon Westwood**



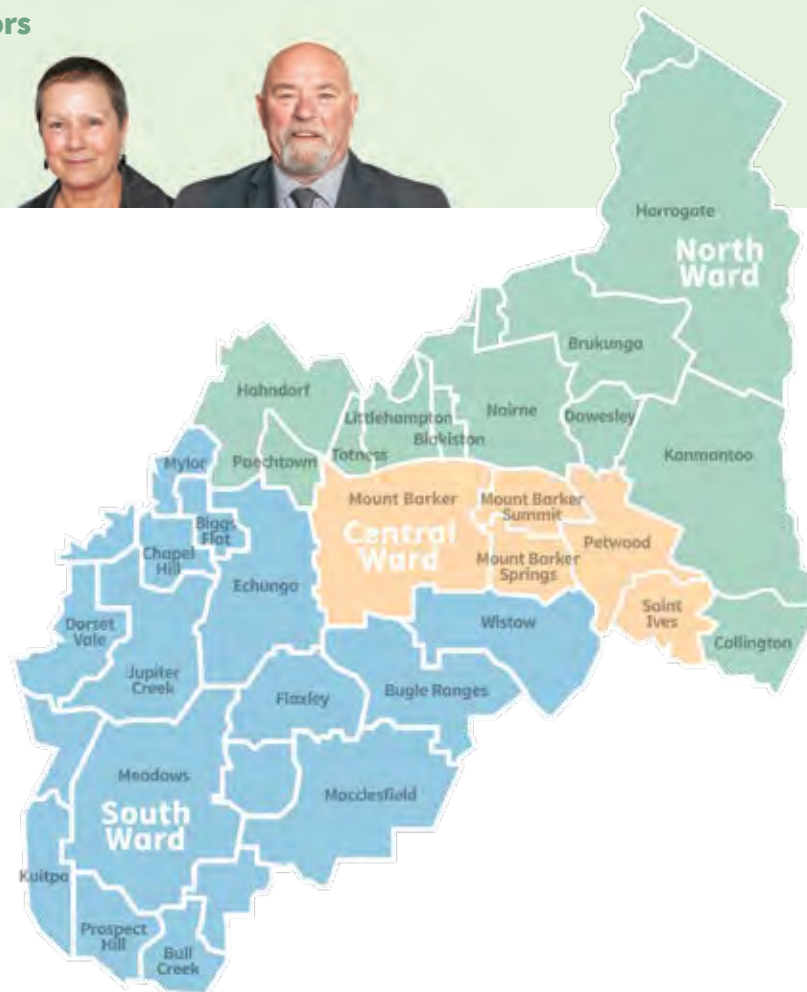
## Central Ward Councillors

**Carol Bailey** BEM  
**Ian Grosser**  
**Samantha Jones** Dip.Bus(Gov)  
Dip.Bus(Admin) AdvDip(Super)  
**Bradley Orr**



## South Ward Councillors

**Tess Minett** Dip. Comm. Serv  
**Greg Morrison**



# Decision Making Structure

**Decisions are made through either Council meetings, Committee meetings or by staff through delegated authority. Council's decision making structure comprised:**

- Council meetings which are held on the 1st Monday of every month, other than January when it is held on the 3rd Monday of the month.
- Audit and Risk Committee meetings which are held at least six times per year.
- Community Grants Assessment Committee meetings which are held at least once per year.
- Council Assessment Panel meetings are held every third Wednesday or when required.
- Summit Sport and Recreation Park Board meetings are held bi-monthly on the second Wednesday of the month.
- Strategic Planning Development Policy Committee are held as required.

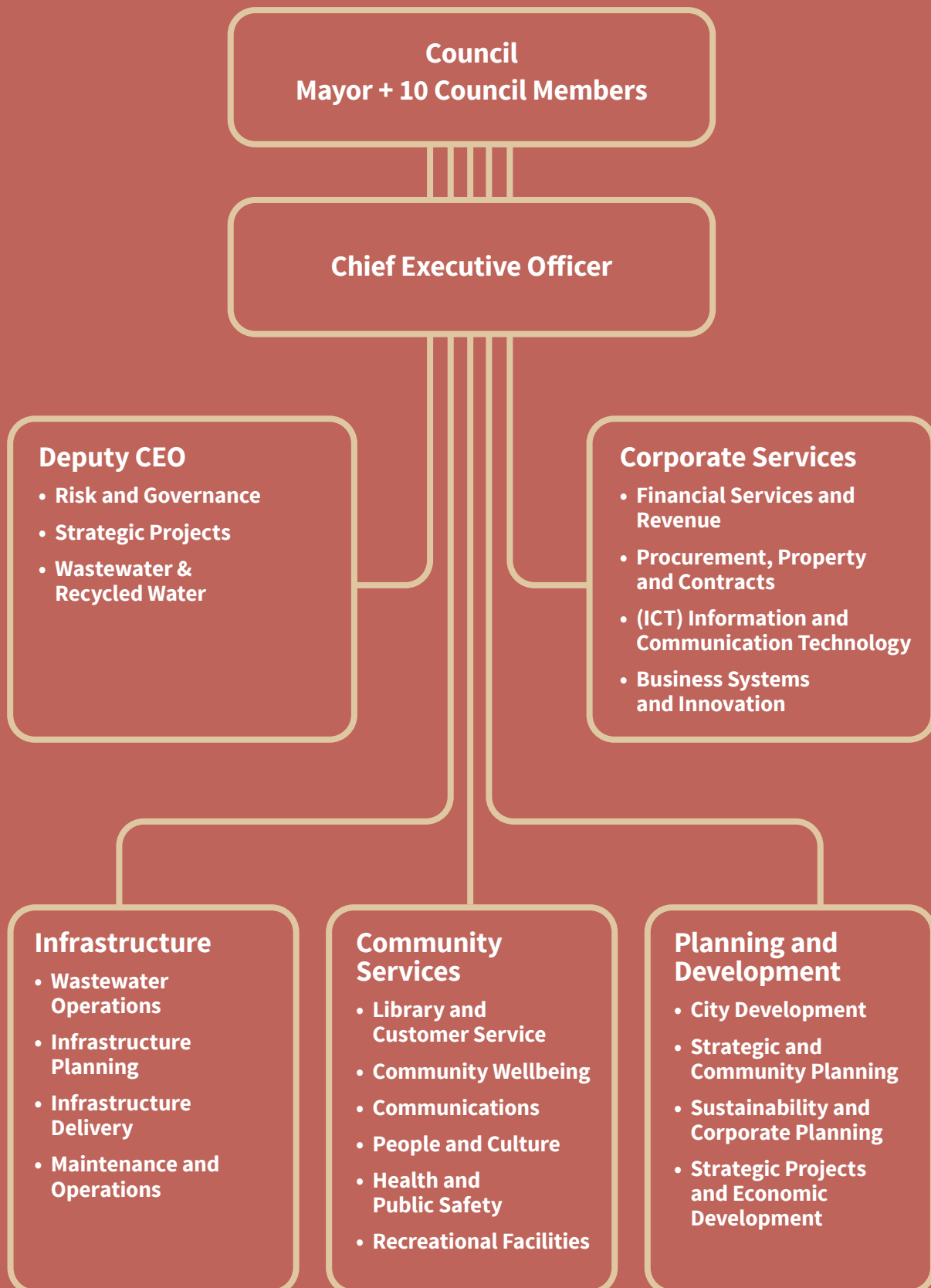
All meetings are open to the public. Notice of meetings, agenda with reports and attachments and minutes are available from the Local Government Centre and on Council's website. A limited number of hard copies of the agenda are provided at the meeting.

As part of this decision making, Council may engage with particular community groups or undertake widespread consultation.

Once a decision is determined, the outcome is advised to the relevant person or authority.



# Organisation Chart









**“ Our plan ensures  
that we deliver the  
most essential services  
and facilities our  
communities need, both  
now and in the future.**



# Annual Business Plan

## Performance Measures

### Community Wellbeing

► **Construction of the Mount Barker Regional Sports Hub stage 1 at Springs Road (now named Summit Sport and Recreation Park) is delivered on time, to scope and adopted budget and community use of the facilities**

Achieved. Licence Agreements executed.

► **25% of all cats in the district registered**

Not achieved – (20%) 2,047 cats registered (population estimated to be 10,000).

► **Completion of updated Open Space, Recreation and Public Realm Strategy, Trails and Play Space Strategies**

In progress – Council information item presented at September 2021 Council meeting details timelines.

► **25 school parking patrols completed per quarter**

Achieved – 26 school parking patrols undertaken during this reporting period.

► **Establish a Library collection development strategy**

Achieved.

► **80% average customer satisfaction across services delivered by the Community Support and Community Transport programs**

Client Satisfaction Survey conducted in August and November 2020. 154 responses received. Of those, 95.5% would recommend the Community Programs Unit to a friend. 4.5% of respondents did not answer this question.

► **Increase participation rates in the Adelaide Hills Recreation Centre (AHRC) and attendance numbers at the Mount Barker Mountain Pool**

Attendances decreased by 13% and 10% respectively for the AHRC and Mountain Pool principally due to Covid.

► **Improve accessibility and safety of twenty existing bus stops**

26 bus stops were upgraded to appropriate Disability Discrimination Act (DDA) standards.

► **Deliver the new walking and cycling trails program including the connection to the new Regional Sports Hub**

Completed.

## Economic Prosperity

### ► Economic Recovery Plan finalised and implementation commenced

Economic Analysis and Economic Forecast reports completed to inform future economic development activity.

### ► 10% of businesses provided information and support services

Achieved. Variety of business support services provided including business communications, Adelaide Hills Business Support network and business development and planning enquiries.

### ► Review of existing supply of employment lands and release of >20HA of employment land area

Achieved: Totness Development Plan Amendment gazetted/ Kanmantoo Development Plan Amendment with Minister for approval.

### ► Implement a revised community event strategy

Review underway.

### ► Innovation Hub is open and occupied

Innovation hub development has been incorporated into planning for the City Centre development.

### ► 50% (average over full year) occupancy rate of Tourist Park accommodation

Achieved:

Cabins at 64% occupancy

Sites at 80% occupancy.







## Urban Environment

- ▶ **100% new housing applications (with all relevant information submitted) issued a decision within an average of 15 working days or less**

Achieved.

- ▶ **100% of building inspections comply with building inspection policy**

Achieved.

- ▶ **80% of quality assurance documentation received and satisfied for infrastructure inherited by Council in major land division developments**

Achieved.

- ▶ **85% of the infrastructure projects managed by Council are completed within the adopted construction budget, timeline and scope**

Council spent \$28m in 2020/21 on delivering infrastructure projects for the community. Of this, \$7.5m renewed or replaced existing assets. A further \$5.1m was carried forward as work in progress to the 2021/22 financial year with a majority of projects delivered within adopted budget.

- ▶ **70% of endorsed actions in Township Plans are investigated in line with agreed time frames**

Achieved with over 70% of actions commenced within endorsed time frame.

- ▶ **Complete 3 Development Plan Amendments**

Achieved: Totness/Kanmantoo/Heritage Development Plan Amendments approved by Council.

- ▶ **Complete current Mount Barker city centre development expression of interest process**

Achieved.

- ▶ **Conduct monthly playground inspections**

Monthly playground inspections were undertaken using both internal and external resources.



## Natural Environment and Sustainable Living

► **Develop a promotional campaign for all Council's environmental initiatives**

In progress, due for completion first quarter 21/22.

► **Plant a minimum of 250 street trees and 100 shade trees in Council's parks and reserves**

Achieved.

► **Plant a target of 14,000 plants in revegetation projects**

Approximately 7,000 planted this year.

► **100% of fire prevention inspections conducted**

Achieved.

► **Parks and reserves maintained to approved schedule**

Achieved.

► **Increase the volunteer hours provided for Council's conservation and biodiversity projects**

Not achieved. Volunteer hours were affected by Covid restrictions throughout the year.

► **Commence the development of a net carbon neutral business case**

Data collection undertaken in 20/21 will inform how Council achieves its emissions reduction targets, including a pathway to carbon neutral which will be further progressed in 21/22.

► **2% reduction of waste to landfill per capita**

Not achieved (3.85% increase per capita) principally due to Covid.

► **Minimum 6 Free Green Waste Days conducted**

Completed.

► **Increase the tonnes of recycled product used in road projects**

Recycled asphalt products continued to be utilised as part of Council's road reseal program. 206 tonnes were laid in 2020/21 on Whittaker Court and Whittaker Tce Mount Barker, a similar amount used in the previous year as a continuation of a trial.

Also 1,150 tonnes of recycled road base (rubble) was used on Springs Road upgrade and the Environmental Service Centre access road. The use of these recycled products has proven to be positive and plans are to significantly increase their use in future years.

► **Wastewater Treatment Plant upgrade commenced**

- Concept Design and pre-construction due diligence initiatives completed.

## Governance and Leadership

- ▶ **Begin a review of the Council's council member composition and ward boundaries in line with agreed time frames**

Council received the draft Periodical Electoral Representation Review Report on Council's preferred composition at 7 June 2021 Council meeting and endorsed the draft Report to be subject to a 5 week public consultation period 9 June 2021 to 14 July 2021. On track to complete by October 2022.

- ▶ **Complete the review of the Community Plan and Strategic Asset Management Plan in line with legislated time frames**

Community Plan reviewed and updated and endorsed by Council in November 2020.

- ▶ **Design and implement at least one smart city initiative in 2020/21**

Achieved - public WiFi project commenced at the Summit Sport and Recreation Park and completed in August 2021.

- ▶ **Balanced annual budget**

Achieved.

- ▶ **Long Term Financial Plan is completed in accordance with legislated time frames**

Achieved.

- ▶ **Asset condition audits and valuations completed in line with work program schedule**

Asset condition auditing completed as per work program for the 2020-2021 financial year.

- ▶ **80% completion of the annual Work, Health & Safety and Return to Work Plan Achieved.**

- ▶ **Zero reportable Work, Health and Safety incidents to Safe Work SA**

Not achieved - 3 reportable incidents for the year.

- ▶ **Complete one service review**

Achieved:

- Public Place Maintenance Service Level review completed
- Concreting service review in progress.





A photograph of two young boys standing on a wooden fence in a park. The boy on the left is wearing a blue jacket and jeans, looking towards the right. The boy on the right is wearing a grey hoodie with "#STAY COOL" printed on it and green pants with a dinosaur face on the leg, looking towards the left. The background shows trees with autumn foliage and a grassy field. The text "COMMUNITY WELLBEING" is overlaid in large white letters across the middle of the image.

# COMMUNITY WELLBEING



## Local Nuisance and Litter Control Act

The number of complaints of local nuisance or littering received by the council: 135

No other offences or notices including:

- Offences under the Act that were expiated
- Offences under the Act that were prosecuted
- Nuisance abatement notices or litter abatement notices issued
- Civil penalties negotiated under section 34 of the Act
- Applications by the council to the Court for orders for civil penalties under section 34 of the Act and the number of orders made by the Court on those applications.

## Cat Management

Mount Barker District Council continue to be a leader in cat management in South Australia. Council's role in cat management and the implementation of the cat by-law was used as a case study by the Dog and Cat Management Board and a video of Council's approach was provided to all South Australian Councils.

## Public Safety

Public Safety Officers play an important role in our community by undertaking the following activities:

- Supporting and monitoring outdoor dining
- Responding to dog attacks and barking dog complaints
- Patrolling parks and reserves to monitor animal management issues
- Responding to parking complaints
- Monitoring timed parking areas to ensure the turnover of vehicles which in turn benefits local businesses
- Regular school patrols at drop off and pick up times to ensure the safety of school children

CRMs (Customer Request Management) service requests:

- Public Health ► 321
- Parking ► 307
- Animals (dogs and cats) ► 794

## Environmental Health

Environmental Health Officers undertake a variety of tasks that ensure that public health is maintained within our community. Routine food inspections are undertaken and any complaints relating to a food premises are also investigated.

Environmental Health Officers (EHOs) also assess waste water applications and inspect sanitary plumbing for waste control systems.

Public health complaints such as noise, odour issues, vermin and stormwater pollution are also investigated.

EHOs continue to play an important role in monitoring COVID-19 restrictions that are in place. COVID-19 compliance monitoring has been established by SA Health and any non compliances are reported through to the COVID-19 team within SA Health.

## Immunisation

Council's immunisation team held public clinics every Tuesday. The public clinics were held at a number of different locations within our community. Extra clinics were made available to ensure that those medically at risk individuals were able to receive the influenza vaccine.

The School Immunisation Program (SIP) is also delivered by Council's immunisation team and they visit each of our four secondary schools a number of times during the year to ensure that the SIP schedule is being adhered to.

## Reserves Maintenance and Trail Networks

Maintenance of Council's parks and gardens continue to be maintained in line with current service levels. In the past twelve months, council has acquired final completion handovers of 6 reserves in new estates within our district. A review of Council reserve maintenance levels is currently underway, and should be completed and adopted in 2021/22 financial year.

Staff are looking to ensure that reserves gifted to Council match our proposed service and provision standards so that equity is achieved throughout the district. In-fill planting of approximately 800 plants have been implemented to rejuvenate already established garden beds and keep with current themes across the district. Council has acquired a new Front Deck mower, expanding our fleet to accommodate for increase in works demand.

The trail network was expanded and key connections established through the construction of a new linear trail from Laratinga Wetlands, through an underpass to the Summit Sports and Recreation Park, allowing walkability between the two spaces without crossing Bald Hills Road. This further enhances connectivity from Mount Barker CBD to the new SSRP facility.



**“ A new trail under  
Bald Hills Road connects  
Mount Barker CBD to the  
new SSRP facility.**



## Community and Sporting Facilities Development

Council has 26 Management Agreements with Incorporated Associations who manage community buildings and recreation grounds on behalf of Council. Council also has Management Agreements with Belgravia Leisure who manage the Adelaide Hills Recreation Centre and the Mount Barker Mountain Pool on behalf of Council.

The Summit Sport and Recreation Park Board (established by Council in early 2020) developed an annual business plan for the facility and executed Licence Agreements with Football SA and Hills Football League.

The new Callington Recreation/Community Centre was completed.

## Mount Barker Community Library

To meet the changing needs of a growing community, the library team focused on specific projects to improve the collection and provide resources in a variety of formats. Working in partnership with organisations, including Natural Resources SA, the Mount Barker Community Centre and the Mount Barker Primary School, the team fostered relationships and offered quality life-long learning programs and events for the community. The library received grant funding from the Good Things Foundation to purchase mobile devices and data for customers to improve digital literacy skills in their own homes. Participants reported an increase in skills and confidence while learning on the devices.

## Highlights

- Art and Mindfulness program for neuro-diverse teens
- ReadyReads Collection
- Call of Country – History Trust Display recognising Aboriginal and Torres Strait Islander military service
- Be Connected digital literacy training
- Cooking Masterclass
- Streaming Adelaide Writers Week
- Libraries Board of South Australia visit
- New e-newsletter.

## Library Statistics

Total number of items in the collection	<b>41,995</b>
New items added to the collection	<b>5,239</b>
Total items borrowed (physical)	<b>285,820</b>
Total items borrowed (digital)	
eBooks	<b>27,849</b>
eAudiobooks	<b>19,680</b>
Total number of active members	<b>10,608</b>
Total number of visitors	<b>59,200</b>
Average loans per day (physical)	<b>943</b>





## Volunteers

COVID-19 continued to impact our Volunteering Community services this year with a couple of lock downs and continued restrictions in the workplace, particularly affecting our front line volunteers. Compelling research from Volunteering Australia and the ANU Centre for Social Research and Methods showed a greater decrease in the proportion of Australians who undertook volunteering than the decline in the proportion of Australians in paid work.

- The total number of hours of volunteering is estimated to have fallen by around 293 million hours over a 12-month period since COVID-19.
- The loss in economic output due to the pandemic would be 16.1 per cent higher if volunteering was included, compared to considering paid work only (Volunteering Australia News June 2021).

Despite this, there has been a minimal loss of volunteers across our programs of those not wishing to return to volunteering as a result of Covid. This is reflective of the trend in regional councils, compared to metropolitan councils who have suffered a significant drop in volunteering numbers.

- 34 new volunteers joined Council across six volunteer programs, with the highest take up in the Library (10)
- Over 14,600 hours of volunteer time was gifted to the community across seven Council volunteer programs. Based on the current volunteering dollar replacement hourly rate figure of \$45.10 per hour, this equates to \$658,460 of value to Council and to the community (Volunteering SA&NT - calculated from ABS average weekly earnings figures)
- Community Bus volunteers drove 1,331km
- Hills Community Transport volunteers contributed 5,550 hours to drive clients to shopping, appointments and other outings
- Social Options supported community members to attend 90 outings, an average of 2 per week

- Graffiti volunteers visited and cleaned 432 sites
- Justice of the Peace day room service saw 513 clients and processed 1,511 documents
- Library volunteers devoted 1,885 hours towards the Local History Centre, Children's Services and general library
- Our Visitor Information Centre volunteers in Hahndorf gifted over 4,400 hours to visitors, industry and community, with reduced opening hours due to Covid, but still operating seven days a week apart from lock downs and Christmas Day
- Laratinga Wetland volunteers have been busy with plantings, maintenance and upkeep mostly of the ephemeral wetland area off Parkview Drive
- A newly established volunteer program this year - Clean up Skate Park, saw five younger volunteers join Council who not only enjoy the Mount Barker Skate park, but keep it clean for all community to use.

The annual Volunteer Movie Day event held during National Volunteer Week in May each year to recognise and celebrate volunteering, returned this year after being cancelled the previous year due to Covid. A joint initiative with Adelaide Hills and Alexandrina Councils, volunteers this year were able to treat themselves to a free movie at one of three selected cinemas over the three Council areas on selected days.

432 volunteers attended with most of those living and volunteering in the Mount Barker District Council area. Wallis Cinemas Mount Barker was the most popular cinema to visit.

Due to demand from our Community Volunteering organisations, five training sessions were hosted by Council in June. Topics covered Social Media and Grants with 50 people attending.



**“ Over 14,600 hours  
of volunteer time was  
gifted to the community  
across seven Council  
volunteer programs.**



## Youth

Council has connected with approximately 3,702 young people and developed 97 partnerships to deliver shared outcomes for young people in the district. Programs, activities and events have included: Sunday Sessions at the Mount Barker Skate Park, Hills Youth Sector Network quarterly meetings, Operation Flinders Program, youth music event, establishment of a Local Drug Action Team, science fair, driver safety workshops, youth leadership programs and sport and inclusion programs.

## Disability

Council has developed its Disability Access and Inclusion Plan and has undertaken a number of key projects outlined in the plan including: delivery of disability and inclusion training for staff, participation in an accessible communications project and an accessible destinations project. Council has continued to facilitate and support the establishment of a Disability and Inclusion Reference Group and a Network Group.

## Seniors

Council delivered programs for seniors including Have fun with Painting, Have fun with Acting and the Aging Well Conversation Series, Because I can & Moving toward Wellness – train the trainer programs. Council supported Nairne Nifty +50s, dancing classes, Top Hat Meetings, Mount Barker Men's Shed and the University of Third Age. Many programs and activities have been affected by Covid-19 restrictions.

## Arts & Culture

Council has continued to work within collaborative partnerships with organisations, groups and individuals to deliver outcomes that contribute to increased health and well-being within our communities. COVID has impacted on many artists and their practices and it is anticipated with opening up of communities in the future will provide stimulus and further opportunities for artists to express themselves through their diverse art mediums.

Sponsorship of artistic endeavours has continued within the parameters presented by the pandemic and local communities have shown their resilience and innovation through enabling workshops, events and activities to be inclusive and incorporate opportunity into their celebrations. Callington community has undertaken a successful stobie pole painting project, arts activities continue at Crystal Lake in Macclesfield, the Hahndorf Lantern Festival continues to provide professional development, exhibition and workshops – these are just some of the occasions undertaken by our creative communities that provide the enriched environment we all enjoy.

Regular meetings and events have been held to promote the recognition and acknowledgment of our Traditional Custodians of Land, the Peramangk Nation, and other Aboriginal people living in the District. A highlight in this context was the commissioning of sculptures, one by Aboriginal sculptor Rob Wuldi titled "Tjilbruke Dreaming" and another piece by Quentin Gore entitled "Teardrops", within the Laratinga Wetlands and complimenting the existing Batpiori Murals at this site.





## Hills Community Transport

Hills Community Transport (HCT) is funded by the State Department of Human Services (DHS), State Department of Planning Transport & Infrastructure (DPTI), Commonwealth Department of Health and Mount Barker District, Adelaide Hills and Alexandrina Councils.

The Program provides transport for people who live anywhere in the Adelaide Hills region and do not have any other transport options.

This year HCT assisted 479 people with 6,624 one-way trips (an increase of 8.5%) to get to medical appointments, shopping and social activities. During the COVID-19 restrictions, HCT continued to assist clients to get to essential medical appointments only. Despite the increase, the amount of service delivery is still 17.5% lower than pre-COVID-19 in 2018/2019 which seems to indicate that Hills Community Transport clients have still not returned to normal levels of activity.

Council charters a 21 seat bus to community groups in the District, which was used by 7 different groups on 12 separate occasions. This service was also negatively impacted by COVID-19 in the course of the year.

These transport services were provided with the assistance of 33 transport and administrative volunteers who contributed 6,127 hours to their local community.

## Home Assist and Social Options

The Community Programs Unit is funded by the State Government's Home and Community Care (HACC) Program, the Commonwealth Home Support Program (CHSP) and Mount Barker District Council to deliver the Home Assist and Social Options programs.

These programs support people over 65, people with a disability and their carers to continue to remain living in their homes by providing minor home and garden maintenance, house cleaning and social activities.

The Social Options Program continues to provide vital social connection to Council residents aged 65 and over, including information sessions at the Library, cinema outings, Barker Blokes, Coffee Club, 'Spotlight' Sessions and 'Living Well' information sessions. Bus trips ceased due to COVID-19.

The Social Options Program was delivered with the assistance of 12 volunteers who contributed 503 hours to their local community. In late November 2020 the Social Options Program ceased operating because of the COVID-19 lock down. It recommenced in January 2021.

The Social Options Program provided the following assistance in 2020/21:

### Service Type Outputs

#### **Social Support**

4,476 hours (a decrease of 14%)

#### **Transport for Social Program**

2,093 one-way trips (a decrease of 7.7%)

In 2019/20 Home Assist provided the following assistance in 2020/21 and 6 volunteers provided 122 hours of assistance:


#### **House Cleaning**

2,499 hours (a very slight increase)

#### **Home & Garden Maintenance**

2,884 hours (an increase of 9%)





**“ The Social Options Program was delivered with the assistance of 12 volunteers who contributed 503 hours to their local community.**



“ The successful Shop Local campaign showcased local traders through a series of short videos that asked the community to live local, travel local and shop local.

A man with curly brown hair, wearing a white t-shirt and a dark apron, is smiling and looking at a menu. He is holding a bottle of beer. A woman with short brown hair and glasses, wearing a yellow patterned top, is also smiling and looking at the menu. They are standing at a counter in what appears to be a cafe or shop. The menu is open and shows the text 'LOT 100' and 'MAY VALLEY'.

ECONOMIC  
PROSPERITY



## Economic Prosperity

Council's focus was on supporting the business community in their recovery from the impacts of Cuddlee Creek and Cherry Gardens Bushfires, and in navigating the activity restrictions and changed consumer behaviour due to COVID-19. The district's population growth increased over this period and this underpinned the population servicing industries of retail, education and healthcare. This ensured that our economy in comparison to the rest of South Australia while still impacted, was at an advantage.

Council partnered with neighbouring councils and the Government of South Australia in the establishment of the Adelaide Hills Business Support Network. This allowed us to collaborate on region wide initiatives to support affected business. This included Adelaide Hills BizWeek at which Council ran two events, Rethinking Business, a 1-day workshop for business owners; and, Insurance for Small Business, an industry expert facilitated session that addressed business insurance needs in the wake of large interruptions.

The Shop Local campaign was launched to recognise and celebrate the adaptability and creativity of local business and our community that choose to live local, travel local and shop local. This involved a series of short videos that showcased local traders and was well received by the community.

Two reports have been commissioned to provide analysis and recommendations for our how Mount Barker District Council can continue to support the business community to face the challenges and opportunities that present themselves, which will take into account the adverse events of 2020, continued population growth, and changed consumer and worker behaviours.

These will be key inputs into formulating Council's next economic development strategy. Council has continued to engage directly with local businesses and through relevant business groups and community forums, for example in public precinct projects. Regular editions of the e-newsletter Business Matters were produced and distributed, promoting case studies, grant opportunities, events, Covid information and relevant education and research for the business and broader community.

## Mount Barker Caravan and Tourist Park

Council operates the Mount Barker Caravan and Tourist Park and the day to day operations are undertaken by Managers under a contract. The location of the Park in central Mount Barker is highly valued by visitors to the area and the 2020/21 financial year saw a total of 38,601 guests staying at the park.

The Park consists of a range of cabins from budget, family and executive cabins, to regular and drive through caravan sites. Over the past year there have been several upgrades to the park including a refurbishment of the ablution blocks, renewal of additional drive through caravan sites, kerbing/drainage works, upgrade of the reception area and another new 2 bedroom executive cabin has been built.

This resulted in high levels of occupancy - 64% for cabins and 80% for sites.

## Tourism and Events

### 47 community events supported through Covid

The 2020/2021 events programme was definitely impacted by the health pandemic. Confidence to plan and execute events at a community level was low, and further impacted by ever changing government regulation.

Council staff maintained contact with community groups and event organisers to minimise impact of regulations and encourage the future planning of events in a post Covid world. In all, 20 community events were canceled, leaving 30 community and 17 other events/activations supported.

The Summit Sport and Recreation Park was officially opened by Mayor Ann Ferguson, Hon Corey Wingard, SA Minister for Recreation and Sport and Senator Andrew McLachlan on 29 April 2021.

### Services provided to support the tourism industry

Council assisted the tourism industry by managing the Adelaide Hills Visitor Information Centre (AHVIC) and provided economic, tourism development and COVID-19 information and advice.

Whilst numbers of interstate and international visitors to the AHVIC were significantly impacted by Covid 19 border closures and lock downs, our staff and volunteers have maintained an excellent level of service, increasing their rate of conversion for people to spend more, stay longer or return again.

Council's funding of Adelaide Hills Tourism also enabled support for the broader tourism region.





“ About 3,000 people attended “Rudolph’s Christmas Revolution” (a modified Covid-safe Christmas event) conducted in partnership with community groups



# THE URBAN ENVIRONMENT





## Trees

The first round of Cudlee Creek bush fire funding received from the Federal Government allowed Council to remove fire damaged Monterey Pines at the Harrogate Cemetery, Hope-Watts corner and complete approximately six and a half kilometres of roadside tree management along Harrogate Road, Mail Road, Pyrites Road and Military Road.

An additional five kilometres along Peggy Buxton Road, Range Road and Curtis Road was funded by Council. Approximately 6675 Indigenous tube stock were planted across Harrogate, Brukunga, Mount Barker, Hahndorf, Macclesfield and Mylor.

Previous Prospect Hill success encouraged new Blackwood pocket forests installed at Meadows, Echunga and Mount Barker. Expansion of the Waterford Mount Barker 'Cool Park' will see a large shady haven and boosted canopy coverage percentage in the middle of town rather than disused dry land grass needing ongoing maintenance.

A big focus for 20/21 was the creation of the Summit Sport and Recreation Park treescape with a deliberate and well balanced native/exotic species fusion which will give the feel of a city park which hasn't forgotten its roots in rural character.

Some very interesting, attractive species which are not commonly used will give the destination more of a memorable unique appeal to the many visitors expected to use the complex. Some of the highlights around the grounds will be large shady figs to watch the summer cricket under, Jurassic Cook Pines defining the main boulevard and areas of native vegetation to marvel at and explore.

The Environmental Services Centre (ESC/Depot) expanded its canopy footprint with a Eucalypt shade way along the front of the Men's Shed area. For fast shade with an Australiana feel the main ESC car park received a Corymbia feature around part of its edge and within the central shade trench.

Growth area street and reserve tree planting continued strongly through the developments which have benefited by a sharp increase in land buyers over the 20/21 period. Council's success with Native Australian rain forest species trials has encouraged developments to install more evergreen species in the north south streets which allows for winter light access whilst attenuating cool season winds benefiting dwelling protection and lower energy use.

## Infrastructure Projects

Council invested over \$27 million on new and the renewal of critical civil infrastructure for the community including bridges and culverts, buildings, drainage, footpath, information technology, land, plant and equipment, recreation assets, roads, wastewater and recycled water infrastructure.

Specifically, \$766K was invested in buildings including work on the Hahndorf Academy and the stabilisation of the Keith Stephenson Barns on Bald Hills Road.

\$1.46M was spent on creating new footpath links such as the new trail linking Laratinga Wetlands with the new Summit Sport and Recreation Precinct and renewing other footpaths across the district.

\$469K was spent on renewing bridges and culverts and \$142K was spent on renewing stormwater infrastructure.

\$13.29M was spent on recreational assets including the completion of the Regional Sports Hub Stage 1 (Summit Sport and Recreation Park).

A further \$1.78M was spent on renewing our unsealed road network (re-gravelling).

\$5.68M was spent on the annual bitumen resealing program and renewing kerbs. Sealing of numerous gravel roads again occurred across the District as part of Council's Roads to Recovery program.

\$3.18M was spent on various wastewater and recycled water projects including design and planning work on numerous major upgrades.





**“ \$1.78M was  
spent on renewing the  
district’s unsealed road  
network (re-graveling).**



# Town Centre Strategy and Various Plans

## Sporting Facilities and Open Space Planning

- Summit Sport and Recreation Park (SSRP) – stage one complete
- Laratinga Trail Extension to SSRP Precinct Complete
- Harrogate Cemetery Trail Construction Complete
- Littlehampton Greening and Main Street Upgrade – cap expenditure (\$1.4 million) upgrade of the Glebe, Miels Park and Main Street of Littlehampton, project jointly funded by grant funding and council
- Nairne Village Green Stage 1 - detailed Design completed, Stakeholder Engagement Completed, Works commenced project at 80% completion end of financial year (now complete)
- Nairne Main Street Stage 2 - concept design complete, stakeholder engagement complete, tender process commenced. Engineers engaged to complete detailed design
- Venables Street Stage 3 detailed design - update to concept plan complete, preliminary civil design work complete, engineers engaged to complete detailed design
- Yantaringa – (cap expenditure \$25K) land use management improvements to Yantaringa Reserve and construction of mountain bike trails at Tara-Illa Reserve
- Polo Grounds – (cap expenditure \$25k) access and landscape amenity improvements around the old Polo Grounds building
- Adelaide Road Upgrade - concept design complete, external funding secured, landscaping Adelaide Road complete. Concept design for signage complete. Concept design for mural complete and quotes for tree lighting complete.
- Callington Recreation/Community Centre construction complete.

## Main Streets

### Hahndorf Main Street Revitalisation

- Detailed Concept Endorsed by Council – Council continue to advocate for external funding.

### Nairne Main Street Stage 2

- Concept design complete, stakeholder engagement complete, tender process commenced. Engineers engaged to complete detailed design.

### Venables Street Stage 3

- Update to concept plan complete, preliminary civil design work complete, engineers engaged to complete detailed design.

### Littlehampton Greening

- Includes main street improvements – concept endorsed (project now proceeding to construction).

## Township Planning

### Hahndorf Township Plan

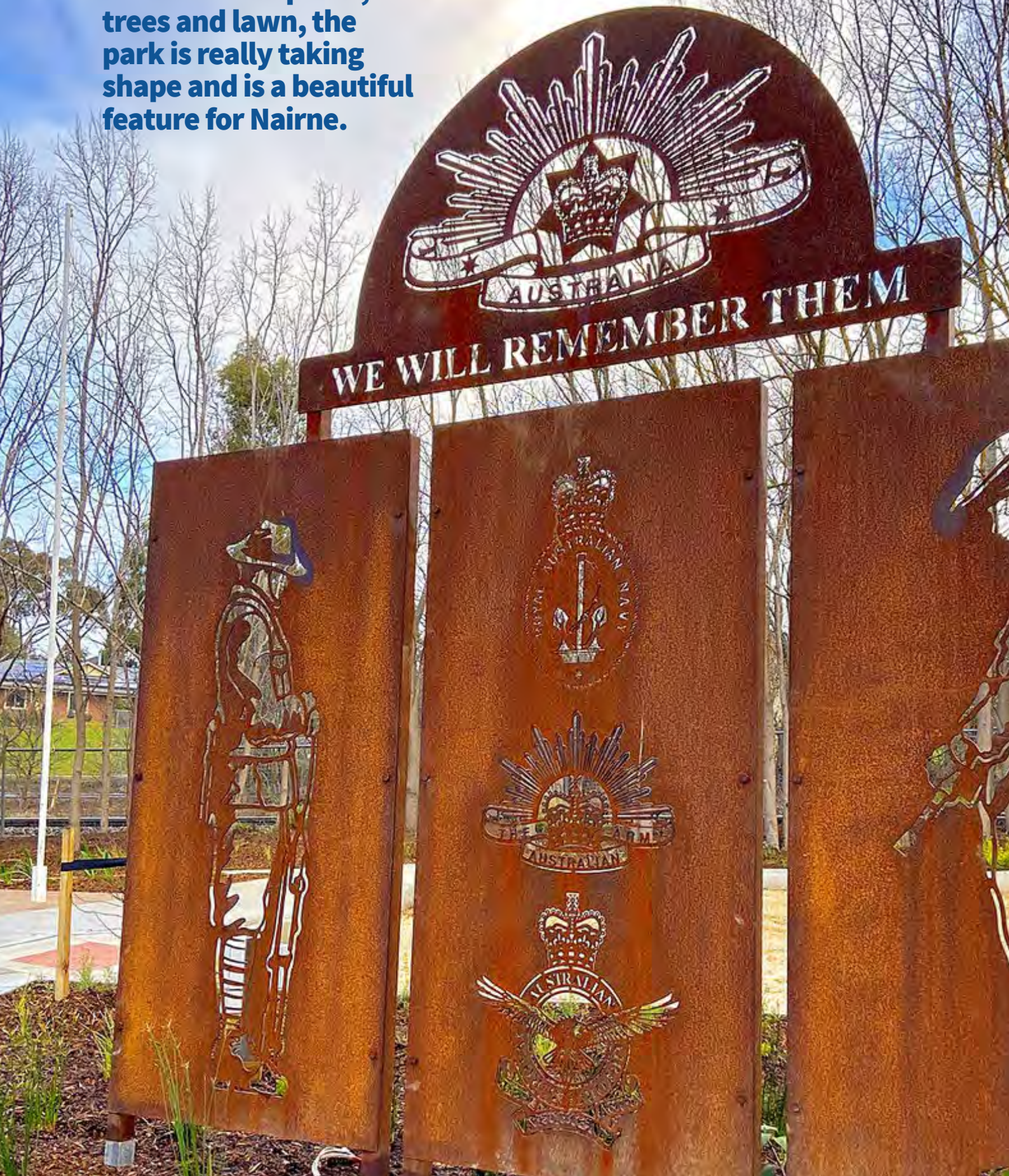
- Department Infrastructure and Transport led community consultation for traffic improvements in Hahndorf completed, strong community feedback.
- Continue to work with Hahndorf Recreation Grounds Association regarding potential future improvements at the recreation ground.
- Hahndorf Bowling Club Neighbourhood Open Space Improvements consultation completed, strong and positive community feedback.
- Land use management improvements to Yantaringa Reserve and construction of mountain bike trails at Tara-Illa Reserve.

### Littlehampton Township Plan

- Littlehampton Greening community consultation and concept endorsed (project now proceeding to construction).
- The Glebe Community Land Management Plan endorsed by Council.



**“ The first stage of the Nairne Village Green is completed. Along with new footpaths, trees and lawn, the park is really taking shape and is a beautiful feature for Nairne.**





#### **Nairne Township Plan**

- Nairne Village Green Stage 2 - Detailed Design completed, Stakeholder Engagement Completed, Works commenced project at 80% completion end of financial year (now complete).
- Nairne Main Street Stage 2 - Concept design complete, stakeholder engagement complete, tender process commenced. Engineers engaged to complete detailed design.

#### **Brukung and Harrogate Township Plan**

- All Bushfire Recovery and Resilience priorities actioned.
- Trail from Harrogate to the Harrogate Cemetery completed.
- Detailed design for Harrogate Road upgrade undertaken.

#### **Meadows Township Plan**

- Detailed design for Mawson/Battunga/Nottage intersection continues.
- Ongoing discussions with the Meadows Recreation Grounds Association regarding potential purchase of land to the north of the recreation ground.

#### **Echunga Township Plan**

- Landscape and amenity improvements to the RSL Garden of Remembrance undertaken.
- Continue to work with Echunga Community Association regarding township plan priorities.

#### **Macclesfield Township Plan**

- Venables Street Stage 3 - Update to concept plan complete, preliminary civil design work complete, engineers engaged to complete detailed design.
- Amenity improvements to the Lord Robinson Park programmed.
- Actions from the plans continue to be prioritised.

#### **Callington Township Plan**

- Planning progressed relating to pump track design and court improvements at the Callington Recreation Ground.
- Design works continue relating to improved pedestrian access over the Bremer River.

### **Planning Policy**

- Totness Employment Lands DPA – Approved by the Minister.
- Kanmantoo Copper Mine DPA – To be approved by the Minister in 2021/22 financial year. (October 2021)
- Local Heritage DPA – Forwarded to the Minister for Planning for Consideration
- Planning and Design Code – Council staff will review Strategic Directions and Planning and Development Code policy to consider any future policy changes or Code amendments.

### **Development Application Data**

In 2020/21 2,008 development applications and 71 land division applications were lodged. 1,851 planning assessments were completed.

548 building rules assessments were completed and 1,117 privately certified building rules assessments were received.

1,626 development applications and 40 land division applications were issued full development approval.





**“ Design work continues relating to improving pedestrian access over the Bremer River.**



## Recycled Water

Council continues to provide high quality recycled water from its various wastewater treatment facilities to customers for productive re-use in line with its strategic objectives.

In Mount Barker, treated wastewater is used to irrigate various parks and gardens and schools to improve amenity and reduce demand on potable water sources. Further, this water has also been used for agricultural purposes, which in turn has supported the local economy. Importantly, this water source is critical to the ongoing success of the much-loved Laratinga Wetlands which is valued by the community for its significant environmental and recreational benefits.

In Meadows, recycled water continues to be used by local residents and businesses for irrigation and other non-drinking purposes. It also supports the irrigation of the local sports facility and is backed up by a Council owned and operated groundwater bore scheme.

Over the past year, Council has developed an interim recycled water strategy to investigate other productive uses for surplus water to minimise the disposal of this water to the Mount Barker Creek and derive maximum community benefit from this sought after resource. The strategy is exploring a number of options across Mount Barker, Callington, Hay Valley and south of the district. Council is actively working with other partners in government and private enterprise to secure funding to deliver new infrastructure to support greater re-use of recycled water.

## Wastewater

Council continues to plan and deliver new and upgraded infrastructure to meet the demands of population growth and regulatory requirements to deliver a safe, reliable and affordable wastewater service.

In 20/21, Council completed a number of upgrades to the Mount Barker Wastewater Treatment Plant to increase its capacity to treat water and ensure it does this reliably. The improvements have significantly improved performance whilst lowering operating costs through reduced energy and chemical consumption. Council continues to plan for the construction of a new wastewater treatment plant in Mount Barker to be completed in 2024. This new plant will cater for future growth and be based on the latest technology to maximise environmental outcomes.

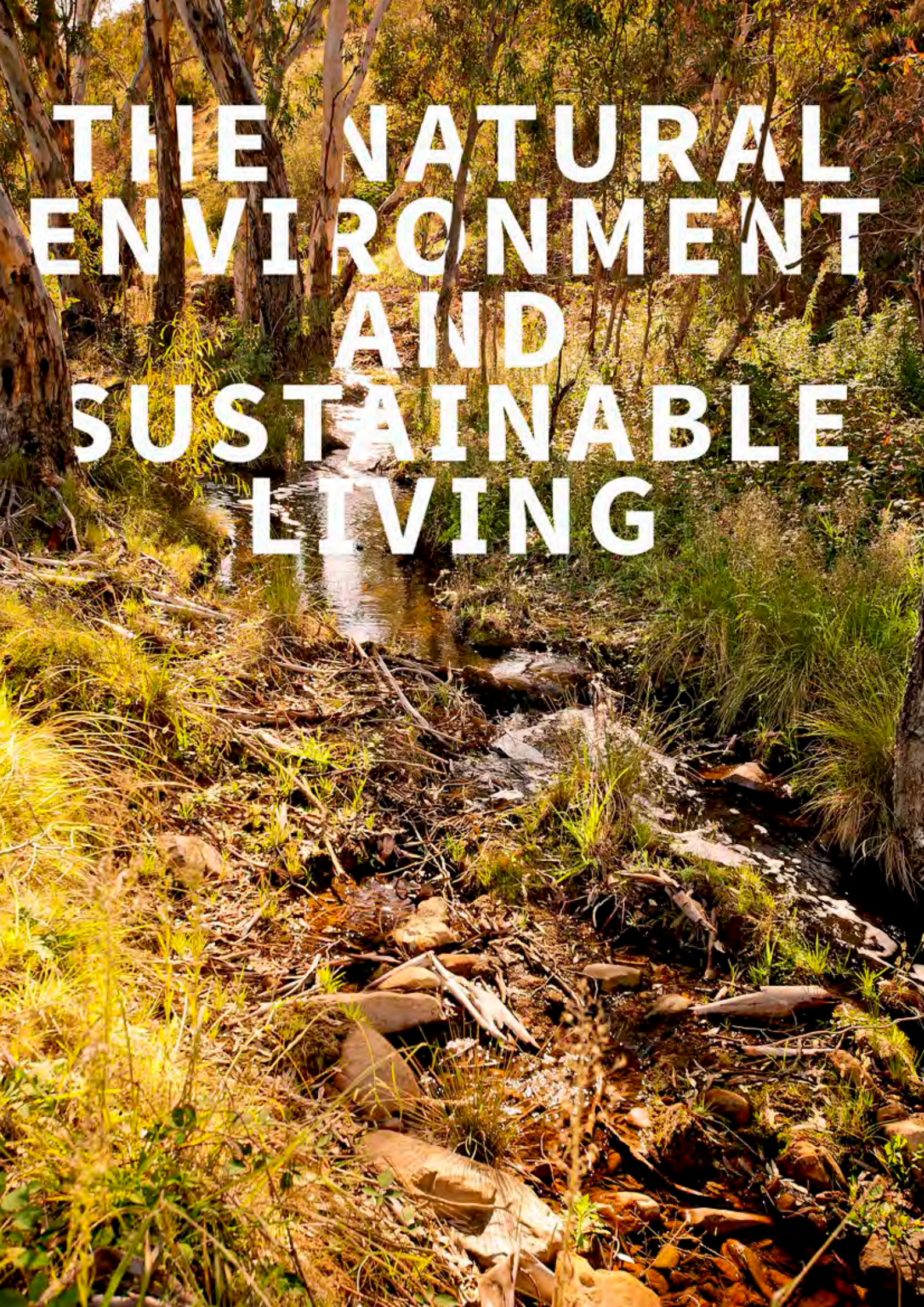
Over the past year Council commenced the procurement for the upgrade of a significant large diameter sewer trunk main and pump station - one of a number of pipelines to be upgraded in coming years to cater for the increased demand and new sewer services being offered in growth areas. Construction is anticipated to commence on the first of these pipelines in early 2022. An upgrade to sewer infrastructure in Nairne is also being planned currently.





**“ Council continues to deliver new and upgraded infrastructure to meet the demands of population growth and regulatory requirements to deliver a safe, reliable and affordable wastewater service.**





# THE NATURAL ENVIRONMENT AND SUSTAINABLE LIVING



## Biodiversity Programs ► Environmental Awareness ► Climate Action

A number of initiatives were undertaken and continued as part of the implementation of Council's Environment Strategy during 2020-2021.

These included:

- Approximately 7,000 native seedlings planted throughout the district
- 6 community planting days
- 2 community nest box building days with 80 nest boxes built for vulnerable fauna species
- Successful Bushfire biodiversity recovery for habitat and wildlife grant (\$90,000)
- Weed control in Bushfire Scar Roadside Marker Scheme (Native Vegetation) Sites
- Successful Local Economic Recovery Funding for Bushfire affected roadsides (\$25,000)
- 32 artificial hollows constructed in dead and living trees
- Successful Sustainable Mount Barker Program with 200 plant packs sold to residents
- Planting (infill of new ephemeral wetland adjacent Laratinga)
- Support of Landcare and Bushcare Groups
- Management of 22 "Bush for Life" sites
- 150 volunteers supported
- New Native Vegetation Marker Signs designed and manufactured for 433 sites
- Commenced review of Biodiversity Strategy
- Liaison with Landscape Board regarding Landscape Priority Funds
- Establishment of internal Roadside Vegetation Management Group
- Regional Water Sensitive Urban Design Training
- Successful Foundation for National Parks and Wildlife Grant (\$47,000)
- Involvement in Food Systems project (food systems mapping and development of guide for local government)
- Development of the 'House of Tomorrow' research report
- Participation in the Resilient Hills and Coasts Climate Adaptation project
- Commencement of the 'Living Lighter Locally' citizen science project in collaboration with Uni SA
- Commencement of second phase tree canopy cover mapping in Mount Barker
- Involvement in, and support for, the Stringybark dieback research project.

## Waste Management

Council provides a district wide kerbside collection service which includes a three-bin service to its residents within townships for the collection of waste, recyclables and organics and a two bin service (waste and recycling) outside of townships.

As part of this service, Council also provides commercial properties with a 2-bin system (waste and recycling) and public place waste bins on streets and in parks. Special event bins are also utilised as required.

Council's landfill diversion rate has remained stable at 49.5%, however, there has been an increase in total waste tonnes disposed to landfill (6.67% or 480 tonnes) principally due to the pandemic. The proportion of recycling collected has decreased by 2.24% and green organics has increased by 13.63%. Council continued implementation of the Waste to Resources Management Plan 2018 – 2025.

The overarching goal of the Plan is to reduce waste disposed to landfill by 20% per capita. The Plan provides for waste management now and in the future to reflect the growing needs of the District and in response to changes within the waste management industry.

### Actions undertaken from the Waste Plan included:

- A hard waste service investigation, including community consultation
- A waste education program for schools and community groups

Council have successfully negotiated changes to their kerbside waste collection contract for recyclables reflecting the shift in markets and costs to process recycling in response to the challenges presented by China's National Sword Policy.

Council were successful in receiving funding from Green Industries SA for three programs including kitchen caddies, the Regional Transport Subsidies Program and to conduct a Strategic Review of Windmill Hill Transfer Station.

#### Measure

#### Results

#### Comments

**Tonnes to Landfill  
Financial Year Comparison**  
20/21 vs 19/20

6.67% increase

Increase of 479.97 tonnes  
(not related to population)

**Tonnes to Landfill (per capita)  
Financial Year Comparison**  
20/21 vs 19/20

3.85% increase

Increase based on population  
growth and due to Covid

**Annual Quarter  
Comparison (population)**  
20/21 vs 19/20 (4th Quarter only)

-4.98%

Decrease in waste per person for  
the same year (quarter) last year

**Waste Plan (population)**  
adopted 1/7/2019  
20/21 vs 19/20 (4th Quarter only)

3.39%

Increase in waste per person since  
commencement of Waste Plan in  
July 2019 (target is to reduce waste  
by 20% per person by 2025)





**“ Council’s Waste to  
Resources Management  
Plan 2018–2025 aims to  
reduce waste disposed to  
landfill by 20% per capita.**

## Wetlands

The Laratinga Wetlands are often referred to as the “jewel in the crown” of the Mount Barker District. The wetlands continue to be a major drawcard for locals as well as numerous tourists visiting from outside the region. The passionate Wetland Warrior volunteers have provided approximately 400 hours over the past 12 months towards general maintenance and planting activities, even during COVID-19 restrictions. The success of the Wetland Warriors has also seen a midweek volunteer group introduced to complement the weekend program.

Approximately 1000 native shrubs, grasses and trees were planted by the Laratinga Wetland Warrior Volunteers throughout the Laratinga Wetlands. An additional 1500 plants were planted by a volunteer Buddhist group at the Ephemeral wetland on Parkview Drive Reserve.

## Community Land Management Plans

A Community Land Management Plan was endorsed for The Glebe, Littlehampton.



A person wearing a green polo shirt, a bright yellow high-visibility vest, grey cargo pants, a light-colored bucket hat, and blue-rimmed glasses is standing in a field of tall, dry grass. They are holding a long-handled pickaxe high in their right hand and have their mouth open in a shout or cheer. The background consists of a dense line of green trees under a cloudy sky. In the bottom right corner, there is a small teal bag with the word 'mallet' and a logo.

**“ The passionate  
Wetland Warriors  
have volunteered 400  
hours towards general  
maintenance and planting  
activities (even amongst  
COVID-19 restrictions).**

## Bushfire and Emergency Management

Council continued to be faced with a number of emergencies this year. The ongoing Covid-19 pandemic has challenged council to look differently at service delivery especially in times of lock down and other restrictions. The district also faced the Cherry Gardens fire this year, the second large scale fire in as many years. Support was provided to the CFS and other emergency services in the form of staging area provision and incident management support and hosting the Local Government Command Centre for the incident. Throughout the year there has also been a number of localised storm events which have seen support provided to the SES through clean-up of fallen trees and storm damage from minor flooding.

Council continued to play an active role in fire recovery from the 2019/20 Cudlee Creek Bushfires with many projects, including restoration of the Harrogate Cemetery and addition of the new walking trail to connect it to the township, the installation of a large format fire water tank in Harrogate being completed and the ongoing work in making safe roadside vegetation affected by the fires. Council also supported the installation of replacement large animal yarding at the Mount Barker Showgrounds that can be used to house animals during emergencies as well as for other events at the site.

Council has been actively involved with regional emergency planning through involvement in the Zone Emergency Management Committee and the Bushfire Management Area Planning Committee, as well as working with the Local Government Functional Support Group in strengthening multi council response to incidents across the state. Council planning has continued through the development and implementation of the Emergency Management Framework, this document will guide future planning of emergency management within council. Staff have also undertaken a number of training sessions to ensure their skills are maintained to respond to and support state control agencies in emergencies.

Property inspections for fire prevention were completed across the region with community showing positive commitment to cleaning up their properties ahead of the Fire Danger Season.





**“ Council continues  
to play an active role in  
fire recovery from the  
2019/20 Cudlee Creek  
Bushfires with many  
restoration projects.**



A close-up photograph of a person's hands, wearing a blue suit jacket and a striped shirt, working on a desk. The hands are positioned over a white sheet of paper with several green sticky notes attached. A blue pen is visible on the desk. The background is slightly blurred, showing a wooden desk and a glass of water. The text "GOVERNANCE AND LEADERSHIP" is overlaid in large, white, bold, sans-serif capital letters across the center of the image.

# GOVERNANCE AND LEADERSHIP



## Implementing the Strategic Plan

A new Community Plan was adopted by Council in November 2020. This Community Plan sets a vision for the Mount Barker district and identifies goals and objectives designed to highlight social, economic and environmental issues and challenges that affect the community, now and in the future.

The plan includes the 3 Guiding Themes of 'Community Wellbeing', 'Ecological Sustainability' and 'Economic Prosperity' and six Community Priorities that are elevated in the Plan for extra attention and collaboration.

The Community Priorities are:

- Circular Economies
- Activating Tourism
- Growth Infrastructure
- Nature Connection
- Climate Innovation
- Healthy Community.

Three Delivery Guidelines will guide Council's corporate and business planning and influence the actions of others. Delivery guidelines are Leadership and Good Governance, Working Smarter and Implementation Partnerships.

Indicators and measures are included under the Guiding Themes and Delivery Guidelines and will be reported against throughout the life of the Plan.

Because the Community Plan 2020-2035 was adopted midway through a reporting year, this annual report is developed according to the previous Strategic Plan.

## Performance in Implementing the Asset Management Plan and Projects and Targets for Next Year

The Strategic Asset Management Plan outlines it an Improvement Plan aimed at areas of the asset management strategy.

- The critical high-risk actions of audit and revaluation of assets have been completed for buildings, storm water, open space and recreation assets
- Council has completed audits of Building Assets and, Open Space and Recreation Assets. The findings of these audits are informing forward capital and maintenance works programs
- This work now brings all asset classes within a 4 year time frame of revaluation.

## Performance in Implementing of Long Term Financial Plan and Projects and Targets for Next Year

### **Review and update the Long Term Financial Plan**

The draft LTFP was taken to Council in November 2020, consultation was undertaken with the community during November and the final LTFP was adopted by Council in December 2020.

### **Develop enhanced processes for Corporate Planning and Budgeting**

Processes were further enhanced as part of the 2021/22 budget process following a review of the 2020/21 process.

### **Develop and implement financial training for staff with financial delegation**

Finance and procurement training was provided to all General Managers and Managers.

### **Develop and prepare timely financial reporting**

Enhanced financial reporting was developed for the Corporate Governance Group as part of the financial reporting framework development.

## Freedom of Information Requests

Fifteen (15) Freedom of Information requests were received. Topics of Requests:

- Vehicle Parking
- Dumping on Council Land
- Statement of Compliance
- Public/Community Housing
- Stormwater
- Noise Complaint
- High Risk Manufactured Water Systems
- Land Use (x2)
- Neighbour dispute
- Audit and Risk
- Health Inspection Reports
- Road Safety
- Code of Conduct (x2)

## Internal Reviews

There was one (1) internal review undertaken related to a decision by Environmental Health Officers (EHO) to issue a Notice under the South Australian Public Health Act 2011 for a failing waste water system.

The internal review was conducted by a person independent of council and concluded that the EHO's application of Section 92(1) of the Act was correct as the Notice was served to: (a) secure compliance with a requirement imposed under a regulation (Regulation 13(1)), and (b) avert, eliminate or minimise a risk, or a perceived risk, to public health.

## Representation Quota

<b>As at 28/02/2021</b>	Note 1	Note 1	Note 1	Note 1	Note 1	Note 1	Note 2
<b>Council Elected Structure and Representation Table</b> Refer below for date specifics	<b>Total Electors</b>	<b>Total Members (including Mayor)</b>	<b>Representation quota*</b>	<b>Mayor or chairperson M/C</b>	<b>Number of Wards</b>	<b>Number of Area Councillors</b>	<b>Aust Class. of LG (ACLG)</b>
<b>Onkaparinga</b>	128,502	13	9,885	M	6	0	UFV
<b>Coober Pedy</b>	918	9	102	M	1	0	URS
<b>Mount Barker</b>	26,222	11	2,384	M	3	0	URM
<b>Mount Gambier</b>	19,935	9	2,215	M	1	0	URS
<b>Port Augusta</b>	9,492	10	949	M	1	0	URS
<b>Port Lincoln</b>	10,786	10	1,079	M	1	0	URS
<b>Roxby Downs**</b>	-	-	-	-	-	-	URS
<b>Whyalla</b>	15,618	10	1,562	M	1	0	URS

Note 1: Data derived from information provided by the Electoral Commission of SA.

Current as at last collection of elector figure statistics for House of Assembly (30/06/2021) and council supplementary roll (28/02/2021).

\* Representation quota for the purposes of Schedule 4 of the Local Government Act 1999.

\*\* Roxby Downs does not have an elected council.

Note 2: Councils may wish to use the Australian Classification of Local Governments (ACLG) code when determining which councils are of a similar size and type. For a full explanation of ACLG codes; [www.regional.gov.au/local/publications/reports/index.aspx](http://www.regional.gov.au/local/publications/reports/index.aspx)

The South Australian Local Government Grants Commission publishes the ACLG codes for each council in their Database Report at the end of the financial year; [www.agd.sa.gov.au/local-government/local-government-grants-commission](http://www.agd.sa.gov.au/local-government/local-government-grants-commission)

Above ACLG labels stand for:  
UFV - Urban Fringe Very Large  
URS - Urban Regional Small  
URM - Urban Regional Medium



## Representation Review

In November 2020, as per Section 12(4) of the Local Government Act 1999 (the Act), Mount Barker District Council commenced a periodical elector representation review to conclude no later than October 2021.

The existing ward structure cannot be retained because the elector ratios in the existing Central and South wards breach the specified 10% quota tolerance limit prescribed under Section 33(2) of the Local Government Act (1999). Significant future population growth is anticipated across the Council area.

An independent consultant was engaged by Council to examine demographic data and prepare the Periodical Elector Representation Review Options Paper and Periodical Elector Representation Review Report, conduct informal gatherings/workshops with Council Members, and public consultation sessions. Detailed background information was provided to Council at the Council meetings held 1 February 2021, 3 May 2021 and 7 June 2021. As per legislative requirements a Periodic Review of Elector Representation Options Paper was subject to an initial 6 week public consultation period 10 February 2021 to 31 March 2021. An informal gathering was held on Monday 19 April 2021, open to the public, at which the independent consultant explored with Council Members the community submissions, and responded to questions from Council Members.

At the Council meeting 7 June 2021 Council (inter alia) a) received the draft Periodical Elector Representation Review Report on Council's preferred composition and structure prepared by the independent consultant, and endorsed the draft Periodical Elector Representation Review Report on Council's preferred composition and structure prepared by the independent consultant to be subject to a 5 week public consultation period 9 June 2021 to 14 July 2021, and b) noted a public meeting will be held on Monday 19 July 2021 from 5.30pm to 6.15pm for those who wish to be heard.

Any changes certified by the Electoral Commission of SA (anticipated to occur in November 2021) will take effect at the November 2022 local government elections.

## Council Member Training

- Council and Committee Meeting Procedures (online and face to face)
- Media and Electronic Communications
- Roles and Responsibilities
- Local Government Mutual Liability Scheme and Legal Protections
- National Growth Areas Alliance Symposium
- Climate Change and Resilience Inspire Online Learning Series
- Ozwater 21 Conference
- Treenet Conference.

## Council Member Allowances and Benefits

<b>Mayor</b>	<b>\$72,151</b>
<b>Deputy Mayor</b>	<b>\$22,547</b>
<b>Councillors</b>	<b>\$18,037</b>

## Remuneration for Executive Officer

<b>Chief Executive Officer</b>	<b>\$261,138</b>
(plus private use of a vehicle and 2.5% extra super)	
<b>Deputy CEO</b>	<b>\$182,569</b>
(plus private use of a vehicle)	
<b>2x General Managers</b>	<b>\$166,811-\$174,032</b>
(plus private use of a vehicle)	
<b>1 x General Manager</b>	<b>\$169,183</b>
<b>Chief Financial Officer</b>	<b>\$153,273</b>
(Plus limited private use of a vehicle)	
<b>Auditors Remuneration</b>	<b>\$25,190</b>

## Equal Employment Opportunity Programs, Human Resource Management/ Development Programs

The following People & Culture policies and procedures were reviewed and / or created:

- Days of Heightened Fire Danger Procedure
- Acceptable Limits of Leave Procedure
- Working Remotely Procedure
- Hospitality & Corporate Spending Policy.

As part of Council's commitment to develop our staff and ensure compliance requirements are met, the following training programs were delivered:

- Disability Awareness
- Media
- Customer Service
- Safety in Design
- Manual Handling.

Council's Workforce Development Strategy focuses on the following areas:

- Developing a Commercial Culture
- Retaining and Attracting a Diverse Workforce
- Continuous Improvements, Innovation and Leveraging Technology.

Council implemented a range of wellbeing and lifestyle programs including:

- Healthy Minds Wellbeing Program
- Employee Health Assessments
- Skin Screening
- Employee Assistance Program.





## Committees

### Audit and Risk Committee

The Audit and Risk Committee met seven times this year. Its purpose is to enquire, observe and then report to Council its concerns and observations that relate to Council operations, policies, risk and compliance. The Audit and Risk Committee has received regular reports as per its work plan that relate to its Terms of Reference.

#### Members of the Committee:

Independent Members – Michael Bails (Chairperson expiration of term December 2020), Michele Bennetts (appointed Chairperson December 2020), Pamela Lee, Michelle Hammond (commenced October 2020), Gary Hughes (commenced December 2020)

#### Council Member

Cr Hardingham

Sitting Fees are paid to independent members – Chairperson – \$496, other independents \$373 per meeting attended.

### Community Grants Assessment Committee

The Community Grants Assessment Committee met twice during the year. Its purpose is to recommend to Council appropriate recipients for community grants and discretionary rebates.

#### Members of the Committee:

Chair - Mayor Ann Ferguson, Cr Ian Grosser, Cr Narelle Hardingham, Cr Samantha Jones, Cr Bradley Orr

### Summit Sport and Recreation Park Board (previously Regional Sports Hub Board)

The Summit Sport and Recreation Park Board met nine times during the year. The Board is accountable to Council and its role is to:

- ensure that the facility is promoted and that there is maximum participation while seeking to minimise the cost;
- set the strategic direction and govern the operational management;
- be responsible for the strategic, financial and governance aspects;
- establish and manage lease/licence agreements with users;
- consider commercial arrangements;
- direct all activity on the site; and
- provide advice to Council on matters referred to the Board by Council.

#### Members of the Board:

Independent Members - Chairperson Iain Evans, Jane Russo, Paul Brown, Peter Scargill

#### Council Member

Cr Jones

The Independent Chairperson receive an annual payment of \$10,000 and other independents receive \$3250 per annum.





## Strategic Planning and Development Policy Committee

The Strategic Planning and Development Policy Committee met once this year on the 10 May 2021.

Its purpose is to provide advice to the Council on strategic planning and development policy matters. Committee Membership comprised the whole Council.

## Council Assessment Panel

The CAP met 8 times this year and considered 14 reports:

- 15 merit applications
- 4 non-complying applications
- 2 were granted Development Approval
- 13 were granted Development Plan consent
- 3 were granted Development Plan consent subject to Development Assessment Commission concurrence
- 0 applications were refused
- 1 application was deferred until the following meeting for a decision

The Mount Barker District Council Assessment Panel (CAP) was appointed as a relevant authority under Section 82 and 83 of the Planning, Development and Infrastructure Act 2016 (Act) by resolution of the Mount Barker District Council (the Council) on 3 July 2017.

The CAP is a relevant authority under the Act and, during transition to the Act, will act as a delegate of the Council for the purpose of the Development Act 1993.

### Members of the CAP were:

Presiding Member - Mark Adcock, Tom Gregory, Sally Roberts, Geoff Parsons and Cr Harry Seager.  
Sitting fees for the Chairperson - \$498/meeting  
And other independent members - \$419/meeting.

## Regional Subsidiaries

Council is a member of two regional subsidiaries formed under Section 43 of the Local Government Act. They are:

- Adelaide Hills Region Waste Management Authority; and
- Southern and Hills Local Government Association.

These subsidiaries' Annual Reports are included as Attachment 5.

## Council Member Meeting Attendance

During 2020/21 Council held 16 meetings:

Mayor Ann Ferguson	16
Cr Narelle Hardingham	16
Cr David Leach	16
Cr Harry Seager	16
Cr Simon Westwood	16
Cr Carol Bailey	16
Cr Ian Grosser (Deputy Mayor December - June)	16
Cr Samantha Jones (Deputy Mayor July- November)	14
Cr Bradley Orr	16
Cr Tess Minett	16
Cr Greg Morrison	12

## List of Codes

The list of Codes required under the Local Government Act is:

- Code of Conduct for Council Members (prescribed by regulation)
- Employees Code of Conduct (partially prescribed by regulation)
- Code of Practice – (for Access to Council, Committee Meetings and Documents).

In addition Council has an optional Code:

- Code of Practice for Meeting Procedures

## List of Registers

Under the Local Government Act 1999 the following Registers are required:

- Council Members Registers of Interest
- Officers Registers of Interest
- Register of Allowances and Benefits
- Officers Registers of Remuneration, Salaries and Benefits
- Register of Community Land
- Register of Public Roads
- Register of By-laws
- Register of Fees and Charges





## Confidential Items

Total Number of orders made under S 90(2) in 2020/21 - 11

The following confidential orders were made:

### Order made under 90(3)(a)

(a) Information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)

#### Section 91(7) Order

6 Oct 20	Appointment of Two Independent Members to the Audit and Risk Committee and Committee Chairperson	Yes
6 Oct 20	Council Assessment Panel Recruitment	Yes
6 Oct 20	Chief Executive Officer's Performance Review 2020	Yes

### Orders made under 90(3)(b)

(b) Information the disclosure of which:

(i) could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting or proposing to conduct, business or to prejudice the commercial position of the Council.

#### Section 91(7) Order

6 Jul 20	Recycled Water Quality, Storage and Use	Yes
7 Sep 20	Disposal of 64 Alexandrina Road Mount Barker	Yes
6 Oct 20	Recycled Water Storage Facility Preferred Location	Yes
4 Nov 20	City Centre Catalyst Development – Request for Detailed Proposals	Yes
17 Feb 21	Summit Sport and Recreation Park (SSRP) - Licence Negotiation Progress Report	Yes
22 Feb 21	City Centre Catalyst development: Heads of Agreement	Yes
7 June 21	Kerbside Waste – Processing of Recyclables	Yes
7 June 21	Nairne Wastewater Infrastructure Proposed Upgrading and Expansion – Business Case	Yes





## The following confidential items were revoked during the financial year:

Date	Topic
15 August 2016	Rate Relief Remission – Long Term Debt Mt Barker Springs
1 April 2019	Proposed Disposal of 64 Alexandrina Road Mt Barker
30 March 2020	Audit and Risk Committee Confidential Report - Draft Long Term Financial Plan
7 September 2020	Disposal of 64 Alexandrina Road Mount Barker
2 March 2020	Appointment of an Independent Member to the Audit and Risk Committee
6 October 2020	Appointment of Two Independent Members to the Audit and Risk Committee and Committee Chairperson
6 October 2020	Council Assessment Panel Recruitment
6 October 2020	Chief Executive Officer's Performance Review 2020

## 31 items remain operative or part operative at the end of the financial year as listed below (excluding orders made before November 2010):

Date	Topic
3/12/12	Adelaide Hills Region Waste Management Authority (AHRWMA)
17/6/13	October 2008 Ombudsman's report
17/6/13	December 2008 Ombudsman's report
17/6/13	2009 Ombudsman's report
16/12/13	AHRWMA
16/12/13	Outcome of First Stage Office and Multi-level Carpark EOI

23/6/14	Multi-Deck Car Park and Council Office Accommodation
18/5/15	Regional Tender for Waste, Recycling, Green Organics & Street Litter Bin Collection Services for Recycling /Green Organics Processing Services
21/3/16	Council Wastewater Services New Customer
6/6/16	Mount Barker Tourist and Caravan Park
6/6/16	AHRWMA – Offer from Resource Co
17/10/16	Mt Barker City Centre Land Strategy
16/1/17	Public Lighting Services Business Case
24/4/17	Appointment of External Auditor
1/5/17	Adelaide Hills Region Waste Management Authority
4/12/17	Mount Barker Wastewater Treatment Plant – CMF Upgrade – Project Close Out
7/5/18	Recycled Water Initiatives
2/9/19	Strategic Land Purchase: Mount Barker City Centre
2/9/19	Regional Indoor Aquatic and Leisure Centre
16/9/19	City Centre Catalyst Development: Expression of Interest
4/11/19	Kerbside Waste Contract Amendments
3/2/20	Recycle Water Storage
2/3/20	City Centre Catalyst Development: Expression of Interest
6/4/20	Recycled Water Use and Storage
6/7/20	Recycled Water Quality, Storage and Use
6/10/20	Recycled Water Storage Facility Preferred Location
4/11/20	City Centre Catalyst Development – Request for Detailed Proposals
17/2/21	Summit Sport and Recreation Park (SSRP) – Licence Negotiation Progress Report
22/2/21	City Centre Catalyst development: Heads of Agreement
7/6/21	Kerbside Waste – Processing of Recyclables
7/6/21	Nairne Wastewater Infrastructure Proposed Upgrading and Expansion – Business Case





## National Competition Policy

The following statement has been prepared in accordance with the reporting requirements of Clause 7 Statement on the application of competition principles to Local Government under the Competition Principles Agreement.

Competitive neutrality measures applied to each significant business activity has continued.

The By-laws related to Movable Signs, Local Government Land and Roads have potential to restrict competition, however the benefits outweigh that potential.

### Category 1

Category 1 applies to business activities with annual revenue in excess of \$2 million or employing assets with a value in excess of \$20 million which include:

- Wastewater

### Category 2

Category 2 applies to all other significant business activities which include:

- Mount Barker Tourist Park
- Windmill Hill Waste Transfer Station
- Various Council owned building/properties which are leased or managed.

No complaints were received and therefore none were referred to the State Competition Commissioner.

## Customer Request Management (CRMS)

Top 15 categories selected

CRM Category	CRMs
Roads	1093
Trees - Parks/Reserves/Street/Roads/Trails/Creeks	846
Animals	805
Parks and Reserves	463
Parking	342
Public Health	336
Civil Compliance	266
Footpaths	233
Bushfire Prevention Related Issues and Inquiries	200
Rubbish	159
Signs	149
Storm Events	131
Council Meeting Resolution	119
Drainage	119
Toilets	102

## Information and Communications Technology (ICT)

- Implemented a centralised Digital Media Storage Solution to facilitate searchability of council's media resources
- Implement the use of multi-factor authentication for all remote access sessions, thereby continuing to improve both technical and business security
- Review and strengthen Council's cyber security position
- Support council wide remote working and meetings
- Proactive maintenance and planned renewal of the IT environment.







## Business Improvement

The Business Systems and Innovation team have been focused on a number of value adding projects aimed at improving council's efficiency and effectiveness in both the administration and delivery of services to the community.

These projects include:

- Adoption of the Smart Community Strategy intended to provide guidance on council's role in enabling the positive impact technology can have on community wellbeing and sustainability
- Commencement of a number of innovative "Smart" technology projects aimed at improving the management of council's public assets and recreational facilities, including Free Public WIFI at the Summit Sport Recreation Park
- The introduction and deployment of Business Process and Robotic Automation technology to drive digital transformation and significantly improve business process efficiency and enhance the effectiveness of council business systems and services.

## Procurement

### Local supplier engagement

Council Engaged a total of 247 local suppliers (Mount Barker/Alexandrina/Murray Bridge/Adelaide Hills/Victor Harbor), or 32% of our total supplier used and to a combined value of \$7.5M.

- Significant Procurements over \$500k
- Springs Road Upgrade Stage 4 (\$1,131k)
- Springs Road Upgrade Stage 5 (\$1,021k)
- Summit Sport and Recreation Park Trail Connection (\$576k)
- North Eastern Sector Sewer & Recycled Water Solution (\$680k)
- Roads to Recovery programme (\$661k)
- Roads Re-sealing programme (1.03M)

Council also approved a further six construction contracts with a value between \$100k and \$500k







# General Purpose Financial Statements

for the year ending 30 June 2021



MOUNT BARKER  
DISTRICT COUNCIL



## General Purpose Financial Statements

for the year ended 30 June 2021

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## Mount Barker District Council

### General Purpose Financial Statements for the year ended 30 June 2021

#### Certification of Financial Statements

**We have been authorised by the Council to certify the financial statements in their final form.**

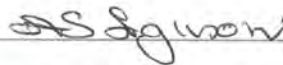
**In our opinion:**

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2021 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.



Andrew Stuart  
**Chief Executive Officer**

1 November 2021



Ann Ferguson  
**Mayor**

1 November 2021



## General Purpose Financial Statements

for the year ended 30 June 2021

## Understanding Council's Financial Statements

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### Introduction

Each year, individual Local Governments across South Australia are required to present a set of audited Financial Statements to their Council and Community.

### About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer and Mayor as "presenting a true & fair view" of the Council's financial results for the year and ensuring both responsibility for and ownership of the Financial Statements across Council.

### What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2021.

The format of the Financial Statements is standard across all South Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the South Australia Model Financial Statements.

The Financial Statements incorporate 4 "primary" financial statements:

1. **A Statement of Comprehensive Income**  
A summary of Council's financial performance for the year, listing all income & expenses.
2. **A Balance Sheet**  
A 30 June snapshot of Council's financial position including its assets & liabilities.
3. **A Statement of Changes in Equity**  
The overall change for the year (in dollars) of Council's "net wealth".
4. **A Statement of Cash Flows**  
Indicates where Council's cash came from and where it was spent.

### About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the 4 Primary Financial Statements.

### About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialise in Local Government).

In South Australia, the Auditor provides an audit report, with an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

### About the Independence Certificates

Council's Financial Statements are also required to include signed Certificates by both the Council and the Auditors that the Council's Auditor has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

### Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, the Local Government Association of South Australia, the SA Local Government Grants Commission, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1999* the Financial Statements must be made available at the principal office of the Council and on Council's website.

# Statement of Comprehensive Income

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
<b>Income</b>			
Rates	2a	43,842	41,919
Statutory Charges	2b	2,102	1,531
User Charges	2c	2,324	2,613
Grants, Subsidies and Contributions	2g	5,717	3,043
Investment Income	2d	44	136
Reimbursements	2e	321	440
Other income	2f	263	464
Net Gain - Equity Accounted Council Businesses	19(a)	612	69
<b>Total Income</b>		<b>55,225</b>	<b>50,215</b>
<b>Expenses</b>			
Employee costs	3a	16,045	15,826
Materials, Contracts and Other Expenses	3b	20,954	21,656
Depreciation, Amortisation and Impairment	3c	12,133	11,121
Finance Costs	3d	333	368
<b>Total Expenses</b>		<b>49,465</b>	<b>48,971</b>
<b>Operating Surplus / (Deficit)</b>		<b>5,760</b>	<b>1,244</b>
Physical Resources Received Free of Charge	2i	14,190	33,017
Asset Disposal & Fair Value Adjustments	4	(1,033)	(1,297)
Amounts Received Specifically for New or Upgraded Assets	2g	19,425	7,417
<b>Net Surplus / (Deficit)</b>		<b>38,342</b>	<b>40,381</b>
<b>Other Comprehensive Income</b>			
<b>Amounts which will not be reclassified subsequently to operating result</b>			
Changes in Revaluation Surplus - I,PP&E	9a	8,801	3,239
<b>Total Amounts which will not be reclassified subsequently to operating result</b>		<b>8,801</b>	<b>3,239</b>
<b>Total Other Comprehensive Income</b>		<b>8,801</b>	<b>3,239</b>
<b>Total Comprehensive Income</b>		<b>47,143</b>	<b>43,620</b>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.



## Statement of Financial Position

as at 30 June 2021

\$ '000	Notes	2021	2020
<b>ASSETS</b>			
<b>Current assets</b>			
Cash & Cash Equivalent Assets	5a	2,762	3,858
Trade & Other Receivables	5b	13,202	5,621
Inventories	5c	8	6
Non-Current Assets Held for Sale	20	2,223	2,783
<b>Total current assets</b>		<b>18,195</b>	<b>12,268</b>
<b>Non-current assets</b>			
Financial Assets	6a	1,650	1,654
Equity Accounted Investments in Council Businesses	6b	1,088	476
Other Non-Current Assets	6c	5,142	12,319
Infrastructure, Property, Plant & Equipment	7a(i)	610,268	565,820
<b>Total non-current assets</b>		<b>618,148</b>	<b>580,269</b>
<b>TOTAL ASSETS</b>		<b>636,343</b>	<b>592,537</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8a	8,638	9,953
Borrowings	8b	915	1,838
Provisions	8c	3,977	3,611
<b>Total Current Liabilities</b>		<b>13,530</b>	<b>15,402</b>
<b>Non-Current Liabilities</b>			
Borrowings	8b	6,866	8,313
Provisions	8c	269	287
<b>Total Non-Current Liabilities</b>		<b>7,135</b>	<b>8,600</b>
<b>TOTAL LIABILITIES</b>		<b>20,665</b>	<b>24,002</b>
<b>Net Assets</b>		<b>615,678</b>	<b>568,535</b>
<b>EQUITY</b>			
Accumulated surplus		285,440	251,084
Asset revaluation reserves	9a	307,025	298,224
Other reserves	9b	23,213	19,227
<b>Total Council Equity</b>		<b>615,678</b>	<b>568,535</b>
<b>Total Equity</b>		<b>615,678</b>	<b>568,535</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

for the year ended 30 June 2021

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
<b>2021</b>					
Balance at the end of previous reporting period		251,084	298,224	19,227	568,535
Restated opening balance		251,084	298,224	19,227	568,535
Net Surplus / (Deficit) for Year		38,342	–	–	38,342
<b>Other Comprehensive Income</b>					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	8,801	–	8,801
Other comprehensive income		–	8,801	–	8,801
Total comprehensive income		38,342	8,801	–	47,143
Transfers between Reserves		(3,986)	–	3,986	–
Balance at the end of period		285,440	307,025	23,213	615,678
<b>2020</b>					
Balance at the end of previous reporting period		210,532	294,984	21,886	527,402
Adjustments (Correction of Prior Period Errors)	24a	(2)	1	–	(1)
Adjustments (due to compliance with revised Accounting Standards) - not retrospective	24b	–	–	(2,486)	(2,486)
Restated opening balance		210,530	294,985	19,400	524,915
Net Surplus / (Deficit) for Year		40,381	–	–	40,381
<b>Other Comprehensive Income</b>					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	3,239	–	3,239
Other comprehensive income		–	3,239	–	3,239
Total comprehensive income		40,381	3,239	–	43,620
Transfers between Reserves		173	–	(173)	–
Balance at the end of period		251,084	298,224	19,227	568,535

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.



## Statement of Cash Flows

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
<b>Cash flows from operating activities</b>			
<u>Receipts</u>			
Operating Receipts		46,677	48,363
Investment Receipts		44	136
<u>Payments</u>			
Operating Payments to Suppliers and Employees		(36,301)	(37,159)
Finance Payments		(336)	(344)
<b>Net cash provided by (or used in) Operating Activities</b>	11b	<u>10,084</u>	<u>10,996</u>
<b>Cash flows from investing activities</b>			
Amounts Received Specifically for New/Upgraded Assets		18,060	10,101
Sale of Replaced Assets		306	321
Sale of Surplus Assets		17	39
Sale of Non Current Assets "held for sale"		820	–
Repayments of Loans by Community Groups		4	4
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(7,488)	(6,800)
Expenditure on New/Upgraded Assets		(20,543)	(19,371)
Loans Made to Community Groups		–	(150)
<b>Net cash provided (or used in) investing activities</b>		<u>(8,824)</u>	<u>(15,856)</u>
<b>Cash flows from financing activities</b>			
<u>Receipts</u>			
Proceeds from Borrowings		–	1,536
Proceeds from Bonds & Deposits		13	–
<u>Payments</u>			
Repayments of Borrowings		(1,748)	(843)
Repayment of Finance Lease Liabilities		(621)	(642)
Repayment of Bonds & Deposits		–	(11)
<b>Net Cash provided by (or used in) Financing Activities</b>		<u>(2,356)</u>	<u>40</u>
<b>Net Increase (Decrease) in Cash Held</b>		<u>(1,096)</u>	<u>(4,820)</u>
plus: Cash & Cash Equivalents at beginning of period		3,858	8,678
<b>Cash and cash equivalents held at end of period</b>	11a	<u>2,762</u>	<u>3,858</u>
Additional Information:			
<b>Total Cash, Cash Equivalents &amp; Investments</b>		<u>2,762</u>	<u>3,858</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Notes to and forming part of the Principal Financial Statements for the year ended 30 June 2021

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## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies

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The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (1) Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared on a going concern basis using the historical cost convention in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 01 November 2021

##### 1.2 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

##### 1.3 Estimates and assumptions

The COVID-19 pandemic has had a minor impact on the 2020/21 financial statements, which may impact on the comparability of some line items and amounts reported in these financial statements and/or the notes. The financial impacts are a direct result of either Council's response to the pandemic or due to mandatory shutdowns as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health.

COVID-19 is not expected to have a significant financial impact on Council operations in the 2021/22 financial year. The budget assumptions for 2021/22 assume that no further harsher restrictions are put in place by the government (e.g. ongoing lockdowns or high level restrictions on the provision of Council services). However, Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

##### 1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

#### (2) The Local Government Reporting Entity

Mount Barker District Council is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 6 Dutton Road, Mount Barker, SA 5251. These consolidated financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Council has an investment in the following subsidiaries, which are detailed in Note 19:

- Adelaide Hills Waste Management Authority
- Southern & Hills Local Government Association

#### (3) Income Recognition

The Council recognises revenue under *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) or *AASB 15 Revenue from Contracts with Customers* (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

In recent years the payment of untied grants (financial assistance grants / local roads / supplementary grants) has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference
2018/19	\$2,345,179	\$1,675,632	+ \$669,547
2019/20	\$1,304,017	\$1,670,725	- \$366,708
2020/21	\$1,570,710	\$1,714,512	- \$143,802

Because these grants are untied, the Australian Accounting Standards require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

#### Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

For works undertaken on a fixed price contract basis, revenues are recognised over time using the input method, with costs incurred compared to total expected costs used as a measure of progress. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

#### (4) Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

#### (5) Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

#### 5.2 Other Real Estate Held for Resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

#### (6) Infrastructure, Property, Plant & Equipment

##### 6.1 Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

##### 6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Bridges & Major Culverts	\$5,000
Buildings & Other Structures	\$10,000
Furniture, Plant & Equipment	\$5,000
Paving & Footpaths, Kerb & Gutter	\$5,000
Recreation & Other Structures	\$5,000
Road Assets	\$5,000
Stormwater Drainage	\$5,000
Wastewater & Water Assets	\$5,000

##### 6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

##### 6.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are listed below. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Bridges & Major Culverts	80 to 100 years
Building & Other Structures	20 to 300 years
Paving & Footpaths, Kerb & Gutter	15 to 80 years
Plant, Furniture & Equipment	5 to 20 years
Recreation & Other Structures	5 to 200 years
Road Assets	15 to 270 years
Stormwater Drainage	80 to 120 years

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

Wastewater & Water Assets

5 to 100 years

#### 6.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

#### 6.6 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with AASB 123 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

### (7) Payables

#### 7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid within 30 days after the date of invoice. No interest is payable on these amounts.

#### 7.2 Payments Received in Advance & Deposits

Amounts other than grants received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

### (8) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.

### (9) Employee Benefits

#### 9.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

Weighted avg. discount rate 9% (2020, 5%)

Weighted avg. settlement period 0.65 years (2020, 0.60 years)



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

#### 9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

#### (10) Leases

##### Accounting policy applicable from 01 July 2019

The Council assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### 10.1 Council as a lessee

The Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### i) Right-of-Use-Assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Buildings	5 years
Printers	4 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

##### ii) Lease Liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Council uses its incremental borrowing rate or the interest rate implicit in the lease.

##### iii) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### (11) Equity Accounted Council Businesses

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 19.

#### (12) GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

#### (13) New accounting standards and UIG interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

##### Amendments to AASB 101 and AASB 108 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Council.

##### Amendments to AASB 16 Covid-19 Related Rent Concessions

In 2020, the AASB issued AASB 2020-4, Amendments to AASBs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. This amendment had no impact on the consolidated financial statements of the Group.

#### Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements that could be applicable to Councils.

##### Effective for NFP annual reporting periods beginning on or after 1 January 2022

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10 and AASB 2017-5)

##### Effective for NFP annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and associated standards.

#### (14) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

For the year ending 30 June 2021, rates received in advance has been recognised as an offset in Note 5(b). The comparative figure for the year ending 30 June 2020 of \$432,000 has been transferred from Note 8(a) to ensure comparability with the current reporting period's figures.

#### (15) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.



# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 2. Income

\$ '000	2021	2020
<b>(a) Rates</b>		
<b>General Rates</b>		
General Rates	31,786	30,603
Less: Mandatory Rebates	(466)	(458)
Less: Discretionary Rebates, Remissions & Write Offs	(83)	(82)
<b>Total General Rates</b>	<b>31,237</b>	<b>30,063</b>
<b>Other Rates (Including Service Charges)</b>		
Natural Resource Management Levy	1,648	1,615
Water Supply	10	8
Wastewater	7,263	6,725
Waste Management	3,235	3,061
Mount Barker Separate Rate	115	115
Hahndorf Separate Commerce Rate	109	110
Meadows Water Supply	22	21
<b>Total Other Rates (Including Service Charges)</b>	<b>12,402</b>	<b>11,655</b>
<b>Other Charges</b>		
Penalties for Late Payment	165	145
Legal & Other Costs Recovered	38	56
<b>Total Other Charges</b>	<b>203</b>	<b>201</b>
<b>Total Rates</b>	<b>43,842</b>	<b>41,919</b>
<b>(b) Statutory Charges</b>		
Building & Development Act Regulatory Fees	992	648
Wastewater Inspection Fees	362	222
Animal Registration Fees & Fines	411	351
Parking Fines / Expiation Fees	73	68
Other Licences, Fees & Fines	69	56
Sundry	85	94
Rates Search Fees	110	92
<b>Total Statutory Charges</b>	<b>2,102</b>	<b>1,531</b>
<b>(c) User Charges</b>		
Cemetery Fees	84	92
Sundry	19	17
Sale of Reclaimed Water	89	619
Mount Barker Tourist Park	976	884
Rental of Council Facilities	444	460
Waste Dumping Fees	712	541
<b>Total User Charges</b>	<b>2,324</b>	<b>2,613</b>

# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 2. Income (continued)

\$ '000	2021	2020
<b>(d) Investment Income</b>		
Interest on Investments		
- Local Government Finance Authority	25	49
- Banks & Other	19	43
- Loans to Community Groups	–	1
Premiums & Discounts Recognised	–	43
<b>Total Investment Income</b>	<b>44</b>	<b>136</b>

## (e) Reimbursements

Library	–	103
Immunisation	3	15
Sundry	249	248
Other	69	74
<b>Total Reimbursements</b>	<b>321</b>	<b>440</b>

## (f) Other income

Insurance & Other Recoupments	51	221
Sundry	108	142
Contributions and Donations	104	101
<b>Total Other income</b>	<b>263</b>	<b>464</b>

## (g) Grants, Subsidies, Contributions

Amounts Received Specifically for New or Upgraded Assets	19,425	7,417
<b>Total Amounts Received Specifically for New or Upgraded Assets</b>	<b>19,425</b>	<b>7,417</b>
Other Grants, Subsidies and Contributions	5,717	3,043
<b>Total Other Grants, Subsidies and Contributions</b>	<b>5,717</b>	<b>3,043</b>
<b>Total Grants, Subsidies, Contributions</b>	<b>25,142</b>	<b>10,460</b>

The functions to which these grants relate are shown in Note 12.

### (i) Sources of grants

Commonwealth Government	10,820	2,963
State Government	6,264	3,636
Other	8,058	3,861
<b>Total</b>	<b>25,142</b>	<b>10,460</b>

Refer to Note 1 for details of Grant Commission (FAG) grant payment recognised as income.



## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 2. Income (continued)

\$ '000	2021	2020
<b>(h) Conditions over Grants &amp; Contributions</b>		
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:		
<b>Unexpended at the close of the previous reporting period</b>	14,091	13,853
<b>Less:</b>		
<i>Expended during the current period from revenues recognised in previous reporting periods</i>		
Roads Infrastructure	(255)	—
Recreation Infrastructure	—	(1,594)
Other	(4,355)	(2,561)
<b>Subtotal</b>	<b>(4,610)</b>	<b>(4,155)</b>
<b>Plus:</b>		
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
Roads Infrastructure	1,148	739
Recreation Infrastructure	643	731
Other	5,011	2,923
<b>Subtotal</b>	<b>6,802</b>	<b>4,393</b>
<b>Unexpended at the close of this reporting period</b>	<b>16,283</b>	<b>14,091</b>
<b>Net increase (decrease) in assets subject to conditions in the current reporting period *</b>	<b>2,192</b>	<b>238</b>

(\*) These amounts include developer contributions, which are also recognised as Other Reserves in Note 9(b).

**(i) Physical Resources Received Free of Charge**

Land & Improvements	1,872	4,132
Recycled Water	10	200
Roads, Bridges & Footpaths	6,663	14,697
Stormwater Drainage	3,093	6,935
Wastewater	1,394	7,053
Recreation & Open Space	1,158	—
<b>Total Physical Resources Received Free of Charge</b>	<b>14,190</b>	<b>33,017</b>

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 3. Expenses

\$ '000	Notes	2021	2020
<b>(a) Employee costs</b>			
Salaries and Wages		13,329	13,095
Employee Leave Expense		2,030	1,847
Superannuation	18	1,015	979
Superannuation - Defined Benefit Plan Contributions	18	379	409
Workers' Compensation Insurance		364	368
Other Employee Related Costs		257	272
Less: Capitalised and Distributed Costs		(1,329)	(1,144)
<b>Total Operating Employee Costs</b>		<b>16,045</b>	<b>15,826</b>
Total Number of Employees (full time equivalent at end of reporting period)		161	157
<b>(b) Materials, Contracts and Other Expenses</b>			
<b>(i) Prescribed Expenses</b>			
Auditor's Remuneration			
- Auditing the Financial Reports		25	25
- Other Auditors		–	16
Elected Members' Expenses		264	265
Election Expenses		11	11
Lease Expense - Low Value Assets / Short Term Leases		5	3
<b>Subtotal - Prescribed Expenses</b>		<b>305</b>	<b>320</b>
<b>(ii) Other Materials, Contracts and Expenses</b>			
Contractors		6,324	6,860
Energy		938	1,090
Legal Expenses		141	235
Levies Paid to Government - NRM levy		1,624	1,596
Levies - Other		294	262
Parts, Accessories & Consumables		1,470	1,595
Professional Services		286	485
Sundry		1,964	1,890
Waste Collection & Disposal		3,282	3,053
Septic Tank Clean Outs		468	463
Street Lighting		615	575
Rates Assessments		101	97
Water		215	219
Communication		384	361
Insurance		421	405
Grants, Contributions & Donations		978	1,000
Software Licences		806	723
Separate Rates Forwarded		225	225
Cleaning & Hygiene		277	265
Less: Capitalised and Distributed Costs		(164)	(63)
<b>Subtotal - Other Material, Contracts &amp; Expenses</b>		<b>20,649</b>	<b>21,336</b>
<b>Total Materials, Contracts and Other Expenses</b>		<b>20,954</b>	<b>21,656</b>



## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 3. Expenses (continued)

\$ '000	2021	2020
<b>(c) Depreciation, Amortisation and Impairment</b>		
<b>(i) Depreciation and Amortisation</b>		
Buildings & Other Structures	559	472
Infrastructure		
- Road Assets	4,646	4,660
- Wastewater	1,387	1,330
- Drainage	850	646
- Bridges & Major Culverts	416	415
- Footpaths	726	700
- Recreation & Open Space	822	636
Right-of-use Assets	682	682
Furniture, Plant & Equipment	969	831
Recycled Water	213	206
<b>Subtotal</b>	<b>11,270</b>	<b>10,578</b>
<b>(ii) Impairment</b>		
Capital Work in Progress	863	543
<b>Subtotal</b>	<b>863</b>	<b>543</b>
<b>Total Depreciation, Amortisation and Impairment</b>	<b>12,133</b>	<b>11,121</b>

**(d) Finance Costs**

Interest on Loans	297	290
Charges on Finance Leases	36	46
Unwinding of Present Value Discounts	—	32
<b>Total Finance Costs</b>	<b>333</b>	<b>368</b>

## Note 4. Asset Disposal &amp; Fair Value Adjustments

## Infrastructure, Property, Plant &amp; Equipment

**(i) Assets Renewed or Directly Replaced**

Proceeds from Disposal	306	321
Less: Carrying Amount of Assets Sold	(1,538)	(1,657)
<b>Gain (Loss) on Disposal</b>	<b>(1,232)</b>	<b>(1,336)</b>

**(ii) Assets Surplus to Requirements**

Proceeds from Disposal	837	39
Less: Carrying Amount of Assets Sold	(638)	—
<b>Gain (Loss) on Disposal</b>	<b>199</b>	<b>39</b>

<b>Net Gain (Loss) on Disposal or Revaluation of Assets</b>	<b>(1,033)</b>	<b>(1,297)</b>
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# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 5. Current Assets

\$ '000	2021	2020
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### (a) Cash & Cash Equivalent Assets

Cash on Hand at Bank	1,937	2,427
Deposits at Call	825	1,431
<b>Total Cash &amp; Cash Equivalent Assets</b>	<b>2,762</b>	<b>3,858</b>

### (b) Trade & Other Receivables

Rates - General & Other	1,774	1,948
- Less: Rates Received in Advance	(502)	(432)
Accrued Revenues	7,083	144
Debtors - General	3,513	3,026
GST Recoupment	509	717
Prepayments	821	214
Loans to Community Organisations	4	4
<b>Subtotal</b>	<b>13,202</b>	<b>5,621</b>
<b>Total Trade &amp; Other Receivables</b>	<b>13,202</b>	<b>5,621</b>

Amounts included in receivables that are not expected to be received within 12 months of reporting date.

Private Works	5	21
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### (c) Inventories

Stores & Materials - Fuel	8	6
<b>Total Inventories</b>	<b>8</b>	<b>6</b>



# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 6. Non-Current Assets

\$ '000	2021	2020
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### (a) Financial Assets

#### Receivables

Loans to Community Organisations	–	4
Loan - Hans Heysen Foundation - "The Cedars"	1,650	1,650
<b>Subtotal</b>	<b>1,650</b>	<b>1,654</b>

#### Total Receivables

	1,650	1,654
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#### Total Financial Assets

\$ '000	Notes	2021	2020
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### (b) Equity Accounted Investments in Council Businesses

Adelaide Hills Regional Waste Management Authority	19	1,058	415
Southern & Hills Local Government Association		30	61
<b>Total Equity Accounted Investments in Council Businesses</b>		<b>1,088</b>	<b>476</b>

### (c) Other Non-Current Assets

#### Other

Capital Works-in-Progress	5,142	12,319
<b>Total Other</b>	<b>5,142</b>	<b>12,319</b>

<b>Total Other Non-Current Assets</b>	<b>5,142</b>	<b>12,319</b>
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Notes to the Financial Statements  
for the year ended 30 June 2021

Note 7. Infrastructure, Property, Plant & Equipment & Investment Property

(a(i)) Infrastructure, Property, Plant & Equipment

		as at 30/06/20				Asset movements during the reporting period								as at 30/06/21			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Transition adjustment - AASB 16	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Tfrs from/(to) "Held for Sale" category	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
\$ '000	Fair Value Level																
Land - Community	3	86,466	–	–	86,466	–	1,872	–	–	–	–	–	–	88,338	–	–	88,338
Land - Other	2	18,927	–	–	18,927	–	173	–	(78)	–	–	–	–	18,848	173	–	19,021
Buildings & Other Structures	3	45,175	6,613	(7,812)	43,976	–	10,311	219	(267)	(559)	–	–	–	44,893	17,143	(8,356)	53,680
Infrastructure																	
- Road Assets	3	257,366	5,231	(68,270)	194,327	–	9,719	4,448	(922)	(4,646)	–	–	–	260,002	14,677	(71,752)	202,927
- Wastewater	3	101,564	2,950	(24,877)	79,637	–	2,914	176	12	(1,387)	–	–	–	102,880	4,646	(26,174)	81,352
- Drainage	3	66,196	1,720	(13,916)	54,000	–	5,031	30	(7)	(850)	–	–	7,076	80,045	1,967	(16,796)	65,216
- Bridges & Major Culverts	3	36,395	269	(8,423)	28,241	–	–	749	(55)	(416)	–	–	–	36,399	1,018	(8,834)	28,583
- Footpaths	3	34,077	1,685	(8,400)	27,362	–	3,131	290	(106)	(726)	–	–	–	35,866	3,164	(9,079)	29,951
- Recreation & Open Space	3	11,385	8,693	(7,182)	12,896	–	7,843	80	19	(822)	–	–	1,725	23,299	6,765	(8,324)	21,740
Right-of-Use Assets																	
- Buildings & Other Structures		–	3,071	(663)	2,408	–	–	–	–	(663)	–	–	–	–	3,071	(1,326)	1,745
- Plant & Equipment		–	78	(19)	59	–	–	–	–	(19)	–	–	–	–	78	(39)	39
Furniture, Plant & Equipment	2	–	7,982	(2,985)	4,997	–	–	830	(204)	(969)	–	–	–	–	7,768	(3,113)	4,655
Recycled Water	3	13,665	259	(1,400)	12,524	–	703	21	(14)	(213)	–	–	–	13,650	974	(1,603)	13,021
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>		<b>671,216</b>	<b>38,551</b>	<b>(143,947)</b>	<b>565,820</b>	<b>–</b>	<b>41,697</b>	<b>6,843</b>	<b>(1,622)</b>	<b>(11,270)</b>	<b>–</b>	<b>–</b>	<b>8,801</b>	<b>704,220</b>	<b>61,444</b>	<b>(155,396)</b>	<b>610,268</b>
Comparatives		613,662	38,742	(136,035)	516,369	3,149	49,067	6,784	(1,649)	(10,578)	(560)	(14,359)	17,598	671,216	38,550	(143,946)	565,820



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

#### (b) Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

##### Valuation of Assets

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

##### Information on Valuations

Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets - There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques.

##### Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

##### Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use.

Highest and best use - For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land.

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

#### Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

#### Land & Land Improvements

Council being of the opinion that it is not possible to attribute value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports.

Land - Level 2, Council officers applied the market approach for valuation of non specialised land, the market value was deemed to be as per the Valuer General values as at 30 June 2020 or where material valuation information inputs were available such as recent sales of similar land parcel this input was applied.

Land - Level 3, Land which is subject to restriction for its use or sale. ie Community Land, etc or land where there is no active market such as Drainage Reserves or subject to Community Service Obligations. Land assets revaluation was undertaken by Council officers using the Valuer Generals values as at 30 June 2020.

#### Buildings & Other Structures

Council's Buildings and other structures were revalued at 1st July 2019 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng, NPER, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use. The valuation technique applied was the depreciated replacement cost approach. The valuation has been indexed at 1st July 2019 based on the Rawlinson's 'Australian Construction Handbook 2019' estimated comparative rates for Adelaide. Unobservable inputs have been utilised and therefore these assets are classified as level 3. All additions after the respective dates are recorded at cost.

#### Infrastructure

For the purpose of AASB 13 Fair value Measurement, Council has determined classes of infrastructure and level of fair value hierarchy to be Level 3. Level 3 inputs have been applied to these classes of assets as there are no relevant observable inputs (Markets) available and other unobservable inputs have been utilised such as estimates of useful lives, residual values and asset conditions. Therefore these assets are classified as level 3.

**Recreation and Open Space Assets** were revalued as at the 1st July 2020 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng, NPER, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use.

All Recreation & Open Space assets were valued using Level 3 valuation inputs using the cost approach.

This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

**Road Assets** were revalued as at the 30th June 2019 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng, NPER, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use.

All Road infrastructure assets were valued using Level 3 valuation inputs using the cost approach.

This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

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**Bridges and Major Culverts Assets** were revalued as at the 30th June 2018 by an independent valuer Ashay Prabhu, Ashay Prabhu, MIE(Aust) CPEng, NPER, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use.

All Bridges and Major Culverts infrastructure assets were valued using Level 3 valuation inputs using the cost approach.

This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

**Footpaths Assets** were revalued as at the 30th June 2018 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng NPER, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use.

Footpath infrastructure assets were valued using Level 3 valuation inputs using the cost approach.

This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

**Wastewater Assets** were revalued as at the 1st July 2019 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng, NPER, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use.

All Wastewater infrastructure assets were valued using Level 3 valuation inputs using the cost approach.

This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

**Recycled Water Assets** were revalued as at the 1st July 2019 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng, NPER, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use.

Recycled water infrastructure assets were valued using Level 3 valuation inputs using the cost approach.

This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

**Drainage Assets** were revalued as at the 1st July 2020 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng NPER, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use.

All Drainage infrastructure assets were valued using Level 3 valuation inputs using the cost approach.

This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

**All acquisitions made after the respective revaluation dates are recorded at cost.**

#### Furniture, Plant & Equipment

These assets are recognised on a cost basis.

# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 8. Liabilities

\$ '000	2021 Current	2021 Non Current	2020 Current	2020 Non Current
<b>(a) Trade and Other Payables</b>				
Goods & Services	4,372	—	4,491	—
Payments Received in Advance - Operating Grants	124	—	1,067	—
Payments Received in Advance - Capital Grants & Contributions	1,319	—	2,684	—
Payments Received in Advance - Other	36	—	12	—
Accrued Expenses - Employee Entitlements	543	—	424	—
Accrued Expenses - Finance Costs	97	—	100	—
Accrued Expenses - Other	1,463	—	504	—
Deposits, Retentions & Bonds	684	—	671	—
<b>TOTAL Trade and Other Payables</b>	<b>8,638</b>	<b>—</b>	<b>9,953</b>	<b>—</b>

\$ '000	Notes	2021 Current	2021 Non Current	2020 Current	2020 Non Current
<b>(b) Borrowings</b>					
Loans - LGFA		240	5,656	229	6,427
Lease Liabilities	17b	675	1,210	621	1,886
Other		—	—	988	—
<b>TOTAL Borrowings</b>		<b>915</b>	<b>6,866</b>	<b>1,838</b>	<b>8,313</b>

All interest bearing liabilities are secured over the future revenues of the Council

## (c) Provisions

Employee Entitlements (including oncosts)	3,977	269	3,611	287
<b>TOTAL Provisions</b>	<b>3,977</b>	<b>269</b>	<b>3,611</b>	<b>287</b>



# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 9. Reserves

	as at 30/06/20				as at 30/06/21
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
<b>(a) Asset Revaluation Reserve</b>					
Land - Community	64,772	—	—	—	64,772
Land - Other	2,125	—	—	—	2,125
Buildings & Other Structures Infrastructure	29,713	—	—	—	29,713
- Road Assets	121,878	—	—	—	121,878
- Wastewater	26,070	—	—	—	26,070
- Drainage	9,573	7,076	—	—	16,649
- Bridges & Major Culverts	24,286	—	—	—	24,286
- Footpaths	10,177	—	—	—	10,177
- Recreation & Open Space	6,594	1,725	—	—	8,319
Recycled Water	3,036	—	—	—	3,036
<b>Total Asset Revaluation Reserve</b>	<b>298,224</b>	<b>8,801</b>	<b>—</b>	<b>—</b>	<b>307,025</b>
Comparatives	294,984	3,239	1	—	298,224

	as at 30/06/20				as at 30/06/21
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
<b>(b) Other Reserves</b>					
Car Park Reserve	301	—	—	—	301
Indirect Developer Contributions	3,037	16	—	—	3,053
Infrastructure Fund	743	2	—	—	745
MDPA Recreation & Open Space	1,501	517	—	—	2,018
MDPA Transport	2,405	817	—	—	3,222
Open Space Development	381	110	—	—	491
Refuse Reserve	1,702	6	—	—	1,708
Wastewater Infrastructure Fee	4,792	—	(343)	—	4,449
Wastewater Maintenance Reserve	3,759	2,861	—	—	6,620
Other Reserves	606	—	—	—	606
<b>Total Other Reserves</b>	<b>19,227</b>	<b>4,329</b>	<b>(343)</b>	<b>—</b>	<b>23,213</b>
Comparatives	21,886	3,156	(3,329)	(2,486)	19,227

## PURPOSES OF RESERVES

### Asset Revaluation Reserves

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non current assets (less any subsequent impairment losses, where applicable).

### Wastewater Reserves

Wastewater Maintenance Reserve - Surplus wastewater service charges raised for the specific purpose of establishing, operating, maintaining, improving and replacing (including by future capital works and depreciation of assets) as per Section 155 of the Local Government Act 1999, LGA Costing Principles for Local Government and ESCOSA principles.

Wastewater Infrastructure Fee Reserve - Surplus wastewater connection fee funds specifically for capital expansion of the wastewater network.

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 9. Reserves (continued)

**Refuse Reserve**

Surplus refuse service charges raised for the specific purpose of maintaining the Council's domestic rubbish collection requirement.

**Infrastructure Reserve**

A percentage of budgeted general rate for future infrastructure which is reviewed by Council on an annual basis.

**Open Space Development**

Capital grants from State Government and developers for the development of open space.

**Car Park Reserve**

Developers capital contribution for the purpose of car parking facilities.

**Indirect Developer Contributions**

Developers capital contribution for the development of infrastructure within the Mount Barker precinct.

**MDPA Recreation & Open Space Reserve**

Developer contributions which contribute to Recreation, Sport and Community Infrastructure required due to growth within the 2010 Mount Barker Urban Growth DPA.

**MDPA Transport Infrastructure Reserve**

Developer contributions which contribute to Transport Infrastructure required due to growth within the 2010 Mount Barker Urban Growth DPA.

## Note 10. Assets Subject to Restrictions

\$ '000	2021	2020
The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.		
<b>Cash &amp; Financial Assets</b>		
Open Space Contributions	381	381
Developer Contributions	182	189
Unexpended amounts received from Government	365	2,116
<b>Total Cash &amp; Financial Assets</b>	<b>928</b>	<b>2,686</b>
<b>Receivables</b>		
Unexpended amounts received from Government	—	400
<b>Total Receivables</b>	<b>—</b>	<b>400</b>
<b>Total Assets Subject to Externally Imposed Restrictions</b>	<b>928</b>	<b>3,086</b>



# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2021	2020
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### (a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Total Cash & Equivalent Assets	5	2,762	3,858
<b>Balances per Statement of Cash Flows</b>		<b>2,762</b>	<b>3,858</b>

### (b) Reconciliation of Change in Net Assets to Cash from Operating Activities

<b>Net Surplus/(Deficit)</b>		38,342	40,381
<b>Non-Cash Items in Income Statements</b>			
Depreciation, Amortisation & Impairment		12,133	11,121
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(612)	(69)
Non-Cash Asset Acquisitions		(14,190)	(33,017)
Grants for capital acquisitions treated as Investing Activity		(19,425)	(7,417)
Net (Gain) Loss on Disposals		1,033	1,297
Net Movements Other Reserves		–	(2,487)
		<b>17,281</b>	<b>9,809</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		(7,580)	(652)
Net (Increase)/Decrease in Inventories		(2)	(5)
Net Increase/(Decrease) in Trade & Other Payables		37	1,996
Net Increase/(Decrease) in Unpaid Employee Benefits		348	(152)
<b>Net Cash provided by (or used in) operations</b>		<b>10,084</b>	<b>10,996</b>

### (c) Non-Cash Financing and Investing Activities

#### Acquisition of assets by means of:

Physical Resources Received Free of Charge	2i	14,190	33,017
<b>Amounts recognised in Income Statement</b>		<b>14,190</b>	<b>33,017</b>
<b>Total Non-Cash Financing and Investing Activities</b>		<b>14,190</b>	<b>33,017</b>

### (d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Corporate Credit Cards	100	100
LGFA Cash Advance Debenture Facility	48,500	48,500

Notes to the Financial Statements  
for the year ended 30 June 2021

Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities.  
Details of these Functions/Activities are provided in Note 12(b).

					OPERATING		GRANTS INCLUDED		TOTAL ASSETS HELD	
		INCOME		EXPENSES	SURPLUS (DEFICIT)		IN INCOME		(CURRENT &	
\$ '000	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Functions/Activities										
Rates	33,802	32,616	2,724	2,806	31,078	29,810	—	—	—	—
Wastewater & Recycled Water	7,468	7,481	6,377	7,731	1,091	(250)	—	—	94,373	92,161
Field Services	3,586	1,246	10,279	9,459	(6,693)	(8,213)	3,358	1,124	348,416	316,825
Commercial Assets	1,045	958	978	1,104	67	(146)	—	—	—	—
Community & Customer Services	1,398	1,421	5,404	4,931	(4,006)	(3,510)	1,172	1,131	—	—
Corporate Services	1,025	1,178	1,198	1,624	(173)	(446)	896	689	19,429	13,662
Health & Public Safety	936	806	2,100	2,088	(1,164)	(1,282)	29	50	—	—
Planning Policy & Development	1,186	703	5,672	5,518	(4,486)	(4,815)	142	—	—	—
Infrastructure & Projects	4	5	1,951	1,936	(1,947)	(1,931)	—	—	—	—
Asset Management	56	54	8,701	8,063	(8,645)	(8,009)	52	49	173,067	169,474
Waste Management	4,719	3,747	4,081	3,711	638	36	68	—	1,058	415
Total Functions/Activities	55,225	50,215	49,465	48,971	5,760	1,244	5,717	3,043	636,343	592,537

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, amounts received specifically for new or upgraded assets and physical resources received free of charge.



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 12(b). Components of Functions

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The activities relating to Council functions are as follows:

#### **RATES**

General, separate & other rates.

#### **CORPORATE SERVICES**

Chief Executive Officer, Information Communication & Technology, Financial Services, Records & Information Management, People & Culture, Governance & Administration.

#### **ASSET MANAGEMENT**

Asset Management, Contracts, Procurement & Depreciation of Assets.

#### **COMMUNITY & CUSTOMER SERVICES**

Library, Home & Community Care, Community Development, Customer Services, Hills Community Transport, Community Bus, Marketing & Communications.

#### **FIELD SERVICES**

Works Depot, Street Cleaning, Sealed & Unsealed Roads, Bridges, Footways, Traffic Management, Vandalism, Cemeteries, Parks & Gardens & Sporting Facilities, Property Management, Halls & Civic Centres, Public Conveniences, Fire Prevention & Stormwater.

#### **PLANNING & STRATEGIC DEVELOPMENT**

Planning Policy & Development Assessment, Building Act, Strategic Planning & Economic Development, Open Space, Visitor Information Centre & Tourism.

#### **HEALTH & PUBLIC SAFETY**

Animal Control, Health Inspection, Immunisation, Council By Laws & Parking.

#### **INFRASTRUCTURE & PROJECTS**

Project Management, Engineering, Major Capital Works.

#### **WASTEWATER**

Water Supply, Community Waste Water Management Schemes, Sewage & Recycled Water.

#### **COMMERCIAL ASSETS**

Caravan Park, Pool & Recreation Centre.

#### **WASTE MANAGEMENT**

Sanitary & Garbage, Refuse Management & Adelaide Hills Regional Waste Management Authority Equity

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 13. Financial Instruments

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#### Recognised Financial Instruments

##### Bank, Deposits at Call, Short Term Deposits

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

**Terms & Conditions:**

Deposits are returning variable interest rates of 0.30% (2020: between 0.25% and 0.45%). Short term deposits are held in either LGFA or NAB at call deposit accounts.

**Carrying Amount:**

Approximates fair value due to the short term to maturity.

##### Receivables - Rates & Associated Charges

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Secured over the subject land, arrears attract interest of 5.20% (2020: 6.35%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

##### Receivables - Fees & Other Charges

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

##### Receivables - Other Levels of Government

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

**Carrying Amount:**

Approximates fair value.

##### Liabilities - Creditors and Accruals

**Accounting Policy:**

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 13. Financial Instruments (continued)

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**Terms & Conditions:**

Liabilities are normally settled on 30 day terms.

**Carrying Amount:**

Approximates fair value.

#### Liabilities - Interest Bearing Borrowings

**Accounting Policy:**

Initially recognised at fair value and subsequently at amortised cost using the effective interest rate.

**Terms & Conditions:**

Secured over future revenues.

Fixed borrowings are repayable by two instalments annually; interest is charged at a fixed rate of 4.75% (2020: 4.75%).

Variable interest cash advance loans are drawn down for short term cash requirements and are charged at a variable interest rate, currently between 1.30% and 2.05% (2020: 2.20%).

**Carrying Amount:**

Approximates fair value.

#### Liabilities - Leases

**Accounting Policy:**

Accounted for in accordance with AASB 16 as stated in Note 17.

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>					
<b>2021</b>					
Cash & Cash Equivalents	2,762	—	—	2,762	2,762
Receivables	12,376	5	—	12,381	12,381
Other Financial Assets	—	—	1,650	1,650	1,650
<b>Total Financial Assets</b>	<b>15,138</b>	<b>5</b>	<b>1,650</b>	<b>16,793</b>	<b>16,793</b>
<b>Financial Liabilities</b>					
Payables	7,159	—	—	7,159	7,159
Current Borrowings	474	—	—	474	240
Non-Current Borrowings	—	2,897	4,446	7,343	5,655
Leases	700	1,226	—	1,926	1,886
<b>Total Financial Liabilities</b>	<b>8,333</b>	<b>4,123</b>	<b>4,446</b>	<b>16,902</b>	<b>14,940</b>
<b>2020</b>					
Cash & Cash Equivalents	3,858	—	—	3,858	3,858
Receivables	5,386	21	—	5,407	5,407
Other Financial Assets	—	4	1,650	1,654	1,654
<b>Total Financial Assets</b>	<b>9,244</b>	<b>25</b>	<b>1,650</b>	<b>10,919</b>	<b>10,919</b>
<b>Financial Liabilities</b>					
Payables	6,190	—	—	6,190	6,190
Current Borrowings	1,468	—	—	1,468	1,217
Non-Current Borrowings	—	3,443	4,914	8,357	6,427
Leases	657	1,926	—	2,583	2,507
<b>Total Financial Liabilities</b>	<b>8,315</b>	<b>5,369</b>	<b>4,914</b>	<b>18,598</b>	<b>16,341</b>

The following interest rates were applicable to Council's Borrowings at balance date:

\$ '000	2021		2020	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	2.05%	1,020	2.20%	1,563
Fixed Interest Rates	4.75%	3,845	3.98%	6,082
		<b>4,865</b>		<b>7,645</b>

**Net Fair Value**

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.



# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 13. Financial Instruments (continued)

### Risk Exposures

**Credit Risk** represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any impairment. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

**Market Risk** is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

**Liquidity Risk** is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

**Interest Rate Risk** is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

## Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	2021	2020
<b>Capital Commitments</b>		
<b>Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:</b>		
Buildings	11	83
Infrastructure	2,018	10,496
Plant & Equipment	419	347
	<b>2,448</b>	<b>10,926</b>
<b>These expenditures are payable:</b>		
Not later than one year	2,448	10,926
	<b>2,448</b>	<b>10,926</b>

# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 15. Financial Indicators

\$ '000	Indicator 2021	Indicators 2020	Indicators 2019
Financial Indicators overview			
These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.			
1. Operating Surplus Ratio			
Operating Surplus	10.4%	2.5%	7.0%
Total Operating Income			
This ratio expresses the operating surplus as a percentage of total operating revenue.			
2. Net Financial Liabilities Ratio			
Net Financial Liabilities	5.5%	25.6%	2.3%
Total Operating Income			
Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.			
Adjustments to Ratios			
In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.			
Adjusted Operating Surplus Ratio			
Operating Surplus	10.7%	3.2%	4.2%
Total Operating Income			
3. Asset Renewal Funding Ratio			
Net Asset Renewals	56.2%	77.2%	78.2%
Infrastructure & Asset Management Plan required expenditure			
Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.			



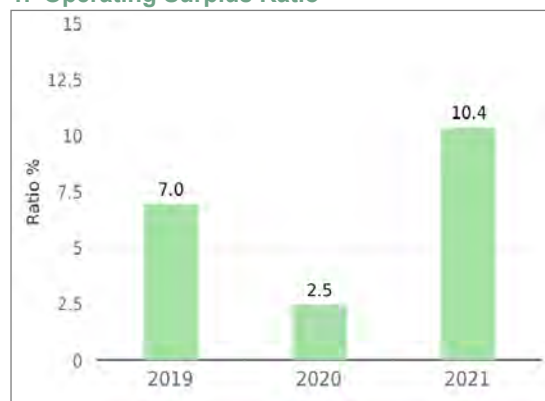
# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 15. Financial Indicators (continued)

### Financial Indicators - Graphs

#### 1. Operating Surplus Ratio



#### Purpose of operating surplus ratio

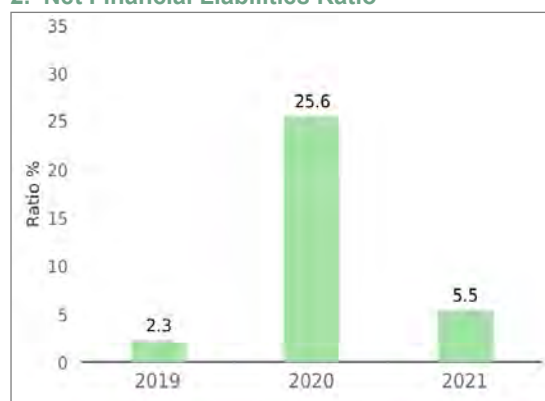
This indicator is to determine the percentage the operating revenue varies from operating expenditure

#### Commentary on 2020/21 result

2020/21 ratio 10.4%

Council achieved an operating surplus of at least 1%, as required by its Treasury Management Policy and Long Term Financial Plan target. Council's operating surplus is impacted by the accounting treatment of grants received and non-cash items, Note 24 contains a reconciliation to the underlying operating surplus result.

#### 2. Net Financial Liabilities Ratio



#### Purpose of net financial liabilities ratio

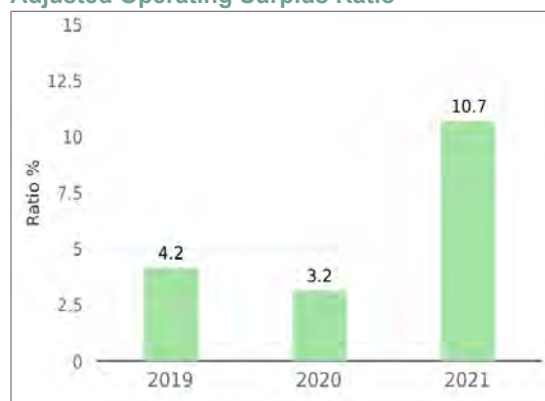
This indicator shows the significance of the net amount owed to others, compared to operating revenue

#### Commentary on 2020/21 result

2020/21 ratio 5.5%

Council has retained its strong financial position. This is required to allow Council to deliver on the projects included in the Long Term Financial Plan.

#### Adjusted Operating Surplus Ratio



#### Purpose of adjusted operating surplus ratio

This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

#### Commentary on 2020/21 result

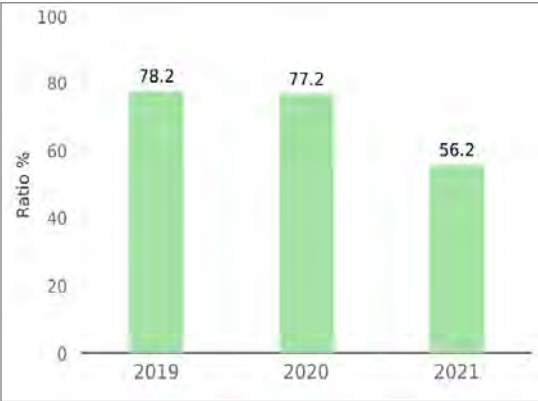
2020/21 ratio 10.7%

As per the commentary provided above, Council achieved its target of achieving an operating surplus ratio of at least 1.0%, as required by its Treasury Management Policy and Long Term Financial Plan target. Council's operating surplus is impacted by the accounting treatment of grants received and non-cash items, Note 25 contains a reconciliation to the underlying operating surplus result.

Notes to the Financial Statements  
for the year ended 30 June 2021

Note 15. Financial Indicators (continued)

3. Asset Renewal Funding Ratio

 <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2019</td><td>78.2</td></tr><tr><td>2020</td><td>77.2</td></tr><tr><td>2021</td><td>56.2</td></tr></table>	Year	Ratio %	2019	78.2	2020	77.2	2021	56.2	<p>Purpose of asset renewal funding ratio</p> <p>This indicator aims to determine if assets are being renewed and replaced in an optimal way</p>	<p>Commentary on 2020/21 result</p> <table><tr><td>2020/21 ratio</td><td>56.2%</td></tr></table> <p>Council has developed and adopted Asset Management Plans which provide guidance of when and how much needs to be spent to maintain Council's infrastructure. Council's result excluding the Wastewater &amp; Recycled Water business is 84.1%. Disruptions and supply shortages including equipment, materials and labour have impacted on the timing of the delivery of planned works. These projects are expected to be completed in the 2021/22 financial year.</p>	2020/21 ratio	56.2%
Year	Ratio %											
2019	78.2											
2020	77.2											
2021	56.2											
2020/21 ratio	56.2%											



# Notes to the Financial Statements

for the year ended 30 June 2021

## Note 16. Uniform Presentation of Finances

\$ '000	2021	2020
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	55,225	50,215
less Expenses	(49,465)	(48,971)
<b>Operating Surplus / (Deficit)</b>	<b>5,760</b>	<b>1,244</b>
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	(7,488)	(6,800)
add back Depreciation, Amortisation and Impairment	12,133	11,121
add back Proceeds from Sale of Replaced Assets	306	321
	<b>4,951</b>	<b>4,642</b>
<b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(20,543)	(19,371)
add back Amounts Received Specifically for New and Upgraded Assets	18,060	10,101
add back Proceeds from Sale of Surplus Assets (including investment property, real estate developments & non-current assets held for resale)	837	39
	<b>(1,646)</b>	<b>(9,231)</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>9,065</b>	<b>(3,345)</b>

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 17. Leases

## (i) Council as a lessee

## Terms and conditions of leases

**Buildings & Other Structures**

Council currently leases a building at Dutton Road, Mount Barker for use as a civic centre. Lease payments are fixed and indexed on an annual basis.

**Plant & Equipment**

Council has a lease for photocopiers at various Council owned sites. Lease payments are fixed for the life of the lease agreement.

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

## (a) Right of use assets

\$ '000	Buildings & Other Structures	Plant & Equipment	Total
<b>2021</b>			
Opening balance	2,408	59	2,467
Depreciation charge	(663)	(20)	(683)
<b>Balance at 30 June</b>	<b>1,745</b>	<b>39</b>	<b>1,784</b>
<b>2020</b>			
Opening balance	3,071	78	3,149
Depreciation charge	(663)	(19)	(682)
<b>Balance at 30 June</b>	<b>2,408</b>	<b>59</b>	<b>2,467</b>

## (b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$ '000	2021	2020
Balance at 1 July	2,506	3,097
Accretion of interest	36	46
Payments	(656)	(637)
<b>Balance at 30 June</b>	<b>1,886</b>	<b>2,506</b>
<b>Classified as:</b>		
Current	676	620
Non Current	1,210	1,886

The maturity analysis of lease liabilities is included in Note 13.

The Group had total cash outflows for leases of \$636,649.

The following are the amounts recognised in profit or loss:

Depreciation expense of Right-of-Use Assets	682	682
Interest expense on lease liabilities	25	46
Expense relating to leases of low-value assets	5	3
<b>Total amount recognised in profit or loss</b>	<b>712</b>	<b>731</b>



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 17. Leases (continued)

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#### (ii) Council as a lessor

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

#### (i) Investment Property

Council has not classified any Land or Buildings as "Investment Property".

### Note 18. Superannuation

---

The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

#### Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2020/21; 9.50% in 2019/20). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

#### Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2019/20) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

#### Contributions to Other Superannuation Schemes

Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 19. Interests in Other Entities

All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2021	2020	2021	2020
<b>Council's Share of Net Income</b>				
Regional Subsidiaries	612	69	1,088	476
<b>Total Council's Share of Net Income</b>	<b>612</b>	<b>69</b>	<b>1,088</b>	<b>476</b>

## ((a)i) Joint Ventures, Associates and Joint Operations

## (a) Carrying Amounts

\$ '000	Principal Activity	2021	2020
Southern & Hills Local Government Association	Regional coordination, representing, advocating & marketing	30	61
Adelaide Hills Regional Waste Management Authority	Waste Management	1,058	415
<b>Total Carrying Amounts - Joint Ventures &amp; Associates</b>		<b>1,088</b>	<b>476</b>

## (b) Relevant Interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2021	2020	2021	2020	2021	2020
Southern & Hills Local Government Association	17.33%	17.33%	17.33%	17.33%	17.33%	17.33%
Adelaide Hills Regional Waste Management Authority	33.22%	35.00%	35.70%	40.00%	25.00%	25.00%

## (c) Movement in Investment in Joint Venture or Associate

\$ '000	Southern & Hills Local Government Association		Adelaide Hills Regional Waste Management Authority	
	2021	2020	2021	2020
Opening Balance	61	38	415	369
Share in Operating Result	(31)	23	643	46
<b>Council's Equity Share in the Joint Venture or Associate</b>	<b>30</b>	<b>61</b>	<b>1,058</b>	<b>415</b>

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 20. Non-Current Assets Held for Sale &amp; Discontinued Operations

\$ '000	2021	2020
<b>Carrying Amounts of Assets and Liabilities</b>		
<b>Assets</b>		
- Land	2,223	2,783
<b>Total Assets</b>	<b>2,223</b>	<b>2,783</b>
<b>Net Assets</b>	<b>2,223</b>	<b>2,783</b>

As the consideration expected to be received exceeds the carrying amount, these assets have been recognised at the carrying amount.

## Note 21. Contingencies &amp; Assets/Liabilities Not Recognised in the Balance Sheet

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

**1. LAND UNDER ROADS**

As reported in the Financial Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in the reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

At reporting date, Council controlled **834** km of road reserves of average width **20** metres.

**2. POTENTIAL INSURANCE LOSSES**

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

**3. LEGAL EXPENSES**

Council is the planning consent authority for its area under the Development Act 1993 (as amended) and the Planning Development and Infrastructure Act 2016. Pursuant to those Acts, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 0 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

## Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2021, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Council is unaware of any material or significant "non adjusting events" that should be disclosed.



## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 23. Related Party Transactions

## Key Management Personnel

## Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 18 persons were paid the following total compensation.

\$ '000	2021	2020
<b>The compensation paid to Key Management Personnel comprises:</b>		
Short-Term Employee Benefits	1,423	1,421
Post-Employment Benefits	114	115
Long-Term Benefits	–	4
<b>Total</b>	<b>1,537</b>	<b>1,540</b>

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

## Receipts from Key Management Personnel comprise:

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received the following amounts in total:

Planning and Building Application Fees	–	1
<b>Total</b>	<b>–</b>	<b>1</b>

## Transactions with Council Regional Subsidiary entities:

The information presented below represents additional information relating to transactions recorded during the financial year with Council's Subsidiary entities. The information presented below is in addition to that already disclosed in Note 19. Council is an equity owner of each Regional Subsidiary disclosed in Note 19 along with other Member Councils.

Member Councils have equal representation on the Board of which Council is a member of the following Subsidiaries:

- Adelaide Hills Regional Waste Management Authority
- Southern & Hills Local Government Association

Member Councils have influence on the financial and strategic operational decisions of the Subsidiary given their equal Board member representation.

No one Member Council individually has control over these decisions.

The following material transactions occurred with Regional Subsidiaries during the financial year:

	Payments Made to Entity 2021	Payments Made to Entity 2020	Outstanding Balances Owed to the Entity 2021	Outstanding Balances Owed to the Entity 2020
Adelaide Hills Regional Waste Management Authority	1,311	1,012	122	87
Southern & Hills Local Government Association	27	24	–	–
<b>Total</b>	<b>1,338</b>	<b>1,036</b>	<b>122</b>	<b>87</b>

Amounts recorded above as outstanding are recorded as a liability in Note 8.

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 24. Operating Surplus Reconciliation

Council's operating surplus this year has been materially impacted as a result of the accounting treatment for grant income, where Australian accounting standards require certain grants to be recognised fully as revenue when received, or recognised as operating revenue even though expenditure is either incurred as capital works or will be completed in the following year. Further, the operating surplus includes distributions of equity that Council holds in subsidiaries including Adelaide Hills Region Waste Management Authority and the Southern and Hills Local Government Association. The increased equity is non-cash and is unable to be used to fund infrastructure or services for the community.

The below summary demonstrates the impact the accounting treatment for grant income has had on the 2020/21 operating surplus for Council:

OPERATING SURPLUS RECONCILIATION 2020/21	Operating Surplus	Operating Income	Operating Surplus Ratio
<b>Consolidated Operating Surplus as per Statement of Comprehensive Income</b>	<b>5,760</b>	<b>55,225</b>	<b>10.4%</b>
<b>less: grants for non-operating expenditure recognised as operating income*:</b>	<b>(2,313)</b>	<b>(2,313)</b>	
• Cudlee Creek Bushfire Recovery	(576)	(576)	
• Roads to Recovery	(743)	(743)	
• Local Roads & Community Infrastructure	(995)	(995)	
<b>less: Equity Accounted Investments non-cash share in operating result:</b>	<b>(612)</b>	<b>(612)</b>	
• Council's share in operating result of AHRWMA & SHLGA	(612)	(612)	
<b>Net Operating Surplus Result</b>	<b>2,835</b>	<b>52,300</b>	<b>5.4%</b>
<b>less: Wastewater &amp; Recycled Water operating result contribution to Council:</b>	<b>(2,109)</b>	<b>(8,486)</b>	
• Operating Result	(1,092)	(7,469)	
• Full Cost Attribution & Cost of Capital contribution to Council	(1,018)	(1,018)	
<b>Net Operating Surplus Result: Council excluding Wastewater &amp; Recycled Water</b>	<b>726</b>	<b>43,814</b>	<b>1.7%</b>

\*these grants are either used for projects classified as capital expenditure, or are required to be fully recognised when received, irrespective of the timing of the associated expenditure, in order to comply with Australian accounting standards.

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[www.deannewbery.com.au](http://www.deannewbery.com.au)Dean Newbery  
ABN: 30 164 612 890**Independent Auditor's Report****To the members of Mount Barker District Council****Opinion**

We have audited the accompanying financial report of Mount Barker District Council (the Council), which comprises the statement of financial position as at 30 June 2021, statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

In our opinion, the financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the Australian Accounting Standards.

**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 Council 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 (Including Independence Standards)* (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.

**Council's Responsibility for the Financial Report**

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as Council determines is necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

In preparing the financial report, Council is responsible for assessing the Council'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 Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council'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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Council.
- Conclude on the appropriateness of the Council'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 Council'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 Council 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**



**SAMANTHA CRETEN**  
**PARTNER**

Signed on the 4<sup>th</sup> day of November 2021,  
at 214 Melbourne Street, North Adelaide, South Australia, 5006

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Dean Newbery  
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## INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF MOUNT BARKER DISTRICT COUNCIL

### Opinion

In our opinion, the Council has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to the Internal Controls established by the Council relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2020 to 30 June 2021.

### Basis for opinion

We have audited the Internal Controls of Mount Barker District Council (the Council) under the requirements of *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2020 to 30 June 2021 have been conducted properly and in accordance with law.

We conducted our engagement in accordance with Standard on Assurance Engagements *ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and *ASAE 3150 Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

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

### The Council's Responsibility for the Internal Controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

### Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applying Auditing Standard *ASQC 1 Quality Control for Firms that Perform Audits and Review of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking the assurance engagement.

### Assurance Practitioner's Responsibilities

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures have been conducted properly and in accordance with law.

ASAE 3150 requires that we plan and performed our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operating effectively through the period. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

An assurance engagement to report on the designed and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of the controls to achieve the control objectives and the operating effectiveness of the controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness to the controls that we consider necessary to achieve the control objectives identified. An Assurance engagement of this type also includes evaluating the suitability of the control objectives.

### Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

### Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on operating effectiveness of controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

**DEAN NEWBERY**



**SAMANTHA CRETEN**  
**PARTNER**

Signed on the 4<sup>th</sup> day of November 2021  
at 214 Melbourne Street, North Adelaide, South Australia, 5006



## Mount Barker District Council

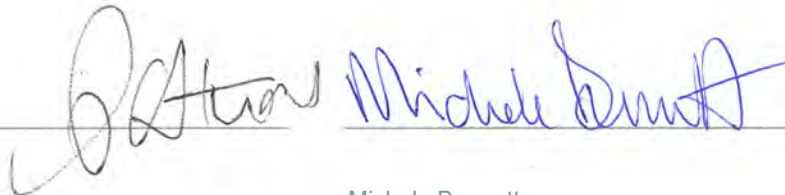
### General Purpose Financial Statements

for the year ended 30 June 2021

#### Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Mount Barker District Council for the year ended 30 June 2021, the Council's Auditor, Dean Newbery has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

The image shows two handwritten signatures in blue ink. The signature on the left is 'Andrew Stuart' and the signature on the right is 'Michele Bennetts'. Both signatures are written over a horizontal line.

Andrew Stuart  
Chief Executive Officer

Michele Bennetts  
Presiding Member, Audit and Risk Committee

Date: 21 October 2021

**HEAD OFFICE**

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Dean Newbery  
ABN: 30 164 612 890

## Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of Mount Barker District Council for the year ended 30 June 2021, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.



**SAMANTHA CRETEN**

**Partner**

**DEAN NEWBERY**

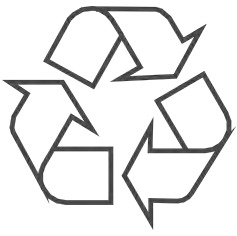
**Dated this 4<sup>th</sup> day of November 2021**







MOUNT BARKER  
DISTRICT COUNCIL



# 2020-21

## Annual Report



**Adelaide Hills**  
COUNCIL



*Bridge to Opportunity*

The Rural City of  
**MURRAY  
BRIDGE**



**ALEXANDRINA**



**MOUNT BARKER**  
DISTRICT COUNCIL

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## ABOUT AHRWMA

The Adelaide Hills Region Waste Management Authority (the Authority) is a Local Government Regional Subsidiary established by its Constituent Councils –Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge (Constituent Councils).

Waste management and recycling services for local ratepayers, residents and visitors is a key Local Government function. The Constituent Councils resolved to work together through the Authority to coordinate waste management and recycling within the region.

The Authority undertakes landfill operations, resource recovery centre management, hooklift truck transport services and mobile crushing for the benefit of its Constituent Councils. The Authority provides an avenue for Constituent Councils to be represented in relevant forums and provides technical waste and resource management advice to Constituent Councils when required, along with coordinated education services to Constituent Council communities. The Authority also facilitates a shared Strategic Resource Recovery Coordinator for three of the Constituent Councils.

The Authority continues to focus on evaluating waste and recycling services throughout the region to determine where it can add value to Constituent Councils by applying a resource sharing model.

## REPORT FROM THE CHAIR

Firstly, I would like to thank our Member Councils for their continuing support throughout the year.

In 2020/21 we saw a slight change in Board Members, with Adelaide Hill Council representatives John McArthur being replaced by Marc Salver and then Chair Cr John Kemp being replaced by Cr Ian Bailey. I was pleased to be elected to the subsequently vacant Chairperson position at the February 2021 Board Meeting.



Cr Harry Seager Chair

2020/21 has been a challenging, yet successful year for the Authority:

- The Authority has successfully navigated through the COVID-19 pandemic, ensuring that all operations were maintained and has also assisted Local Government in coordinating its waste sector response to the pandemic.
- The Charter Review process has been finalised, and all Constituent Councils have now endorsed the revised Charter. The new board structure should come into effect mid 21/22.
- The Authority's Finance Manager was transferred from Alexandrina Council to the Authority in the position of Finance and Business Manager.
- A new position of Risk, WHS and Project Officer was also established and filled, which is focused on addressing the outcomes of the LGRS WHS and risk audit.
- Continued assistance to Constituent Councils with managing the impacts of the China Sword Policy and recycling services.
- Implementation of a polystyrene recycling service at the Heathfield Resource Recovery Centre funded by the Adelaide Hills Council and Green Industries SA. This has proved to be a popular service, with use continuing to build over the time since its introduction.
- Approved an Asset Management Plan and replaced a Front End Loader, in accordance with this plan.
- Constructed a workshop hanger at Brinkley, thus enabling servicing of plant and equipment within a designated location onsite.
- Authority staff continue to navigate changing EPA Legislation and ensure systems are in place to meet requirements, such as Mass Balance Reporting. As Federal legislation continues to evolve in response to both external and international challenges, I am confident that our organisation will continue to respond to these changing conditions appropriately.
- The Authority continues to build a resilient team in order to ensure we can manage operational needs, meet legislative requirements and the meet the needs of Constituent Councils, while remaining focussed on the delivery of an efficient and timely service to the ratepayers whom we service.

In my time as Chair I have recognised the ongoing commitment that the Authority's Executive Officer and Board Members hold in striving to achieve the best outcomes for the Authority and its Constituent Councils. I am pleased to have seen the increasing efficiency of our operation at the Brinkley landfill site with staff demonstrating their commitment by achieving higher compaction rates through improved practices.

The Authority continues to focus on improved governance and risk management across all areas of operation while assisting its Constituent Councils with efficient and effective waste and resource management services. Along with core services the Authority continues to enhance its representation within the industry and represents its Constituent Councils in relevant forums.

## AHRWMA SERVICE AREA MAP





# STRATEGIC DIRECTION

## The Vision

*“Sustainable Waste Management through Shared Services for the communities of Adelaide Hills, Alexandrina, Mt Barker and Murray Bridge”*

## The Mission

- To meet resource recovery targets across the region where economically and environmentally justified.
- To continue to develop and manage the Authority’s landfill as an EPA compliant regional landfill, that provides the most cost-effective disposal option for Constituent Councils and commercial customers.
- To educate the regional community on responsible waste choices that enhance and maintain their environment.

## The Objectives

The Authority’s vision and mission will be achieved through five key objectives:

- To take a leadership role in resource recovery and community education.
- Responsibly develop and manage the Authority’s landfill to be a model regional landfill meeting all legislative requirements and operating benchmarks.
- Financial sustainability in waste services for Constituent Councils by pursuing a shared services model.
- Advocate, research and promote best practice waste management and actively represent Constituent Councils in all forums.
- A fully compliant regional subsidiary that meets the highest standards in governance, financial and human resource management.

# GOVERNANCE

## Board

The Authority is administered by a Board in accordance with the *Local Government Act (1999)* and the Authority's Charter. In 2020/21 the Board consisted of eight Members, being one Elected Member appointed by each Constituent Council and one employee appointed by each Constituent Council. Each Constituent Council also appoints a Deputy Board Member.

The Chairperson and Deputy Chairperson of the Board are elected by ballot of the whole Board from those Board Members who are Elected Members.

The Board is responsible for managing all activities of the Authority, ensuring that the Authority acts in accordance with its Charter. The Board's responsibilities include development of strategic and business directions and strategies aimed at improving the business of the Authority. The Board appoints an Executive Officer responsible for implementing the decisions made by the Board and managing the day-to-day operations of the Authority.

### 2020-21 Board Members

#### Rural City of Murray Bridge

Heather Barclay, General Manager Assets & Infrastructure  
Cr Fred Toogood

Malcolm Downie, Manager City Assets, Deputy Board Member

#### Mount Barker District Council

Greg Parker, General Manager Community Services  
Cr Harry Seager (Chairperson)

Cr Simon Westwood, Deputy Board Member

#### Alexandrina Council

Elizabeth Williams, General Manager Resources  
Cr Mike Farrier

Cr John Carter, Deputy Board Member

#### Adelaide Hills Council

John McArthur, Manager Waste & Emergency Services (Vacated Position Sep 2020)  
Marc Salver, Director Development & Regulatory Services (Commenced position Nov 2020)  
Cr John Kemp (Chairperson, Vacated Position Sep 2020)  
Cr Ian Bailey, Deputy Chairperson (Commenced position Nov 2020)

Current Board Members



Cr Harry Seager  
Chair  
MBDC



Cr Ian Bailey  
Deputy Chair  
AHC



Cr Mike Farrier  
Alexandrina



Cr Fred Toogood  
RCMB



Cr Simon  
Westwood  
Dep. Member  
MBDC



Cr John  
Kemp Dep.  
Member AHC



Heather Barclay  
General Manager  
Assets &  
Infrastructure  
RCMB



Greg Parker  
General Manager  
Community  
Services  
MBDC



Marc Slaver  
Director  
Development &  
Regulatory  
Services  
AHC



Elizabeth Williams  
General Manager  
Resources  
Alexandrina



Cr John Carter  
Dept. Member  
Alexandrina



Malcolm Downie  
Dep. Member  
Manager City  
Assets  
RCMB



## Audit Committee

In accordance with the Local Government Act (1999) the Authority has an Audit Committee. The principal objective of the Audit Committee is to add value to and improve the Authority's operations, by assisting the Board to meet its legislative and probity requirements as required by the Local Government Act 1999 and other relevant legislation, standards and codes. The Audit Committee is comprised of two Board Members as determined by resolution of the Board and one Independent Member, who is also the Chair.

The Audit Committee meets as required and at least once every four months, prior to Board Meetings.

The current Audit Committee Members include;

Independent Member: Peter Brass

Board Members: Greg Parker - District Council of Mount Barker, Elizabeth Williams – Alexandrina Council

## Management & Operations Committee

In 2018/19 the Board re-established the Management and Operations Committee. The committee includes a staff member from each Constituent Council and provides valuable support to the Executive Officer. The Committee meets as required to discuss strategic and operational matters.

The current Management & Operations Committee Members include;

Malcolm Downie – Rural City of Murray Bridge

Greg Parker – Mount Barker District Council

John McArthur – Adelaide Hills Council

Elizabeth Williams – Alexandrina Council

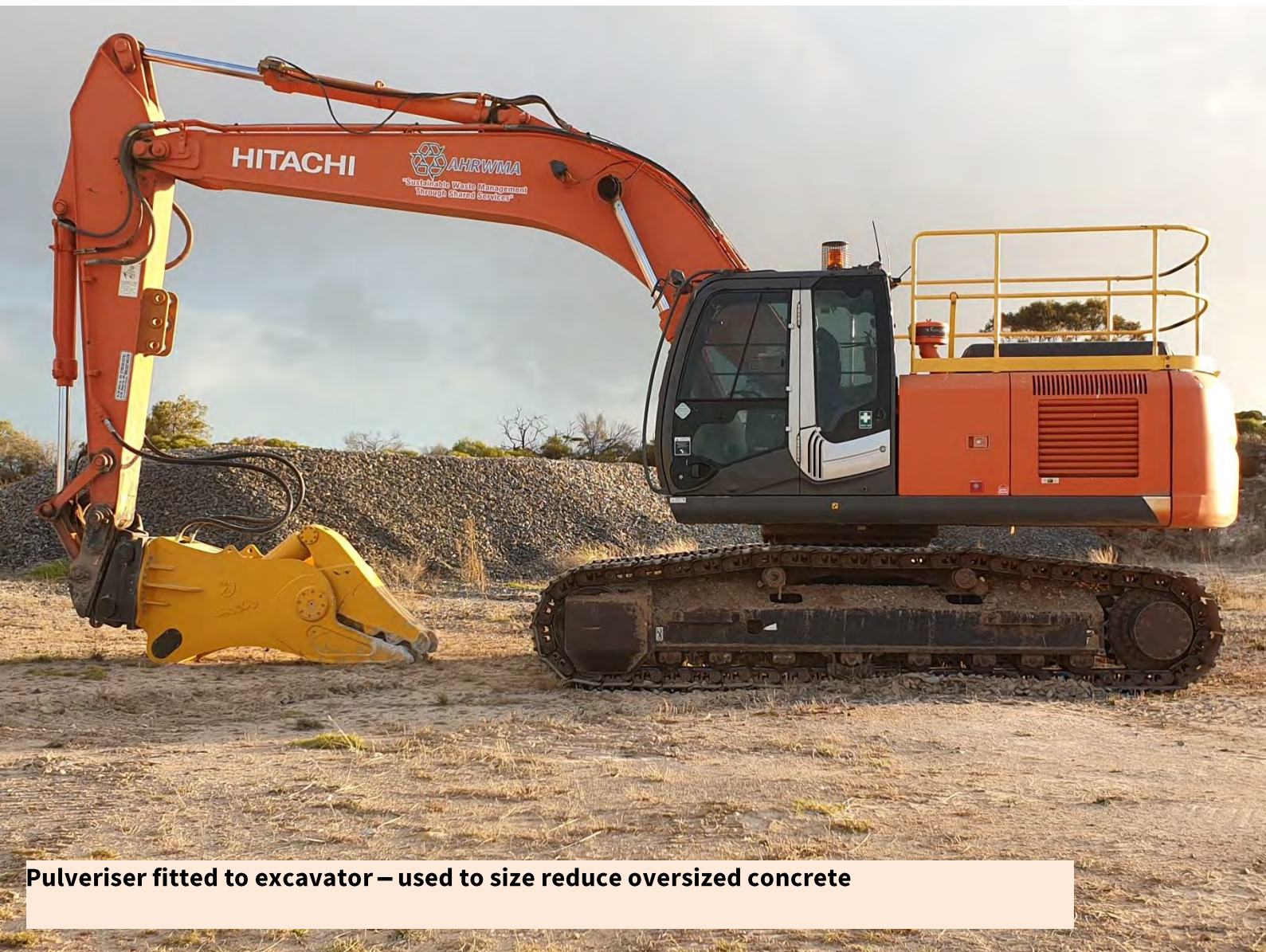
## 2020/21 ACHIEVEMENTS

### Landfill & Operations

- Continued to navigate COVID-19 lockdowns and restrictions successfully, ensuring essential waste services were maintained. The Authority's Executive Officer has also assisted the LGA in coordinating its waste sector response to the pandemic.
- Fees and charges have been reviewed and updated, taking into account the waste disposal levy increases for the period.
- The mattress stockpile at the Brinkley Landfill was processed, of which approximately 1,500 mattresses were processed in January 2021. This generated 25.64 tonnes of steel for recycling & 15.72 tonnes of flock returned to landfill.
- A hanger style shelter/workshop was installed at the Brinkley Landfill to provide an undercover area for heavy plant maintenance, Rural City of Murray Bridge funded the installation of the concrete pad floor.
- A compaction rate of 0.84t/m<sup>3</sup> was achieved at the Brinkley Landfill Cell 8/9 for the period 02/07/2020 - 30/06/2021. This is a positive compaction rate result, exceeding the long running target of 0.8 t/m<sup>3</sup>.
- A solar powered aeration system was purchased and installed within the leachate pond at the landfill to assist with reducing leachate volume & odour.
- The Authority assisted Mount Barker District Council with crushing waste concrete at the Windmill Hill Waste Transfer Station. Approximately 600 tonnes of rubble was produced through the crusher, which including size reducing 200 tonne of material using the Authority's new pulveriser.
- 1,360 cubic metres of mulch was produced at the Brinkley RRC.
- 2,603 tonnes of concrete was crushed to produce rubble at the Brinkley RRC. This material was tested with the results categorising the material as waste fill suitable for re-use. An additional 100 tonnes of material was reduced in size using the pulveriser.
- A pipeline was installed at the Brinkley RRC to transfer run-off from the street sweepings pad to the leachate pond. This assists with reducing cost of pumping and transporting runoff. This was a Rural City of Murray Bridge capital item, funded by the Rural City of Murray Bridge and project managed by the Authority.
- 8,085m<sup>3</sup> of mulch was produced at the Heathfield RRC over 4 individual processing campaigns.
- 1,960.2 tonnes of concrete was crushed and rubble produced and tested, with test results categorising the material as waste fill suitable for re-use.
- The polystyrene melt machine was installed at the Heathfield RRC. This is operating 3-4 times per week and to date has produced approximately 192 melted poly blocks with a total weight of roughly 1.5 tonnes.
- A phytocap landfill design was drafted and submitted to the EPA for review and approval.

**Major purchases**

- 3 hook lift bins with tarps.
- 20 tonne wheel loader.
- Pulveriser, for size reducing & decontaminating oversized concrete.
- 40 tonne dump truck.
- Solar aerator.



**Pulveriser fitted to excavator – used to size reduce oversized concrete**



- All Constituent Councils approved the Authority's reviewed Charter in 2020/21. This Charter and a new Board will be implemented mid 2021/22.
- The Charter review also included a review of the equity interest calculation methodology and this has been reflected in the 2021/22 CCI schedule.
- A Work Health Safety, Risk & Projects Officer was employed in 2020/21.
- A new WHS system has been implemented, to formalise WHS requirements and to continually improve WHS
- A Business Continuity Plan was developed.
- An Asset Management Plan was developed and adopted by the Board.
- A system for Mass Balance Reporting (a requirement of new EPA legislation) has been implemented



**Waste disposal services are provided at the Brinkley Landfill.**

### Resource Sharing, Resource Recovery Centres & Value Add

- Free greens days have been held across the RRCs.
- Hooklift waste and recycling transport services continue to be provided across the region. A tender was submitted to the Mount Barker District Council for the provision of hook-lift services.
- Positive working relationships have been maintained with Constituent Councils, commercial and non-member local government customers.

## AHRWMA Annual Report 2020/21

- Assistance has continued to be provided to Constituent Councils regarding the recycling market changes resulting from the China Sword Policy and the Authority has ensured Constituent Council representation across all forums.
- The Authority has continued to participate in a high-level education working group assisting Green Industries SA with the implementation of a state wide education program titled “Which Bin”.



**Encouraging food waste composting through the green bin service where available.**



## Finances

- The audited financials have been completed for the year 2020/21 and are attached.
- The year to 30 June 2021 ended with the Authority achieving a total surplus of \$1,934K compared to a third quarter budget review of net surplus \$579,000. This variance was largely due to an accounting amendment relating to booking known income in the 2020/21 financial year, which was previously budgeted over future years.
- The Brinkley Resource Recovery Centre finished \$44,962 ahead of budget for the financial year, while the Heathfield Resource Recovery Centre finished over budget by \$26,568.



Household Chemical & Paint Facility at the Heathfield RRC.

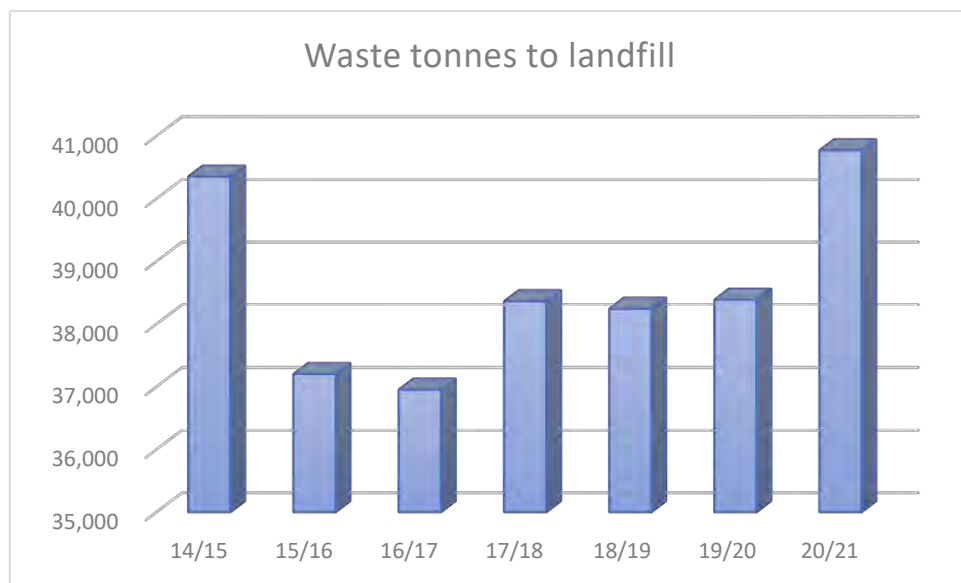




# LANDFILL OPERATIONS

## Brinkley Landfill Statistics

Waste disposed to landfill increased by 2,383 tonnes in the 2020/21 financial year. Waste tonnes to landfill increased across all sectors. Constituent Council tonnes increased by 1,610 tonnes, other Local Government increased by 227 tonnes and commercial tonnes increased by 546 tonnes. This increase in waste disposal may be a result of COVID-19 implications along with growth across the regions serviced by the landfill.

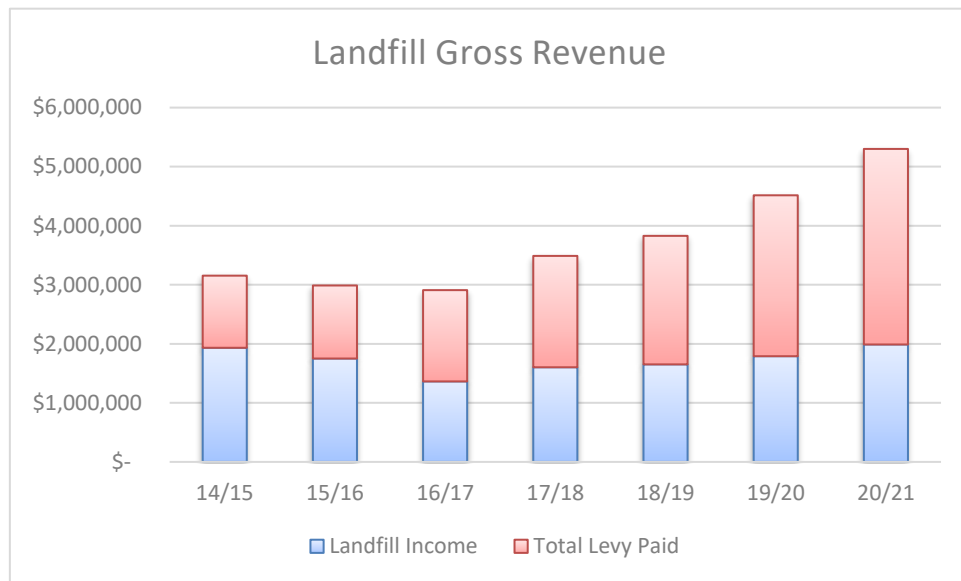


## Revenue

Landfill gross revenue increased in 2020/21 due to increasing tonnes and an increase in the Solid Waste Disposal Levy.

The Authority is required to pay the Solid Waste Disposal Levy for every tonne of waste disposed to landfill and therefore collects the levy from Constituent Councils and landfill customers as part of the landfill gate fees.

In 2020/21 the levy increased from \$70.00 to \$71.50 for non- metropolitan waste and from \$140.00 to \$143.00 for metropolitan waste .



## Financial Indicators

The Authority adopted financial indicators for 2020/21 which are outlined in the table below.

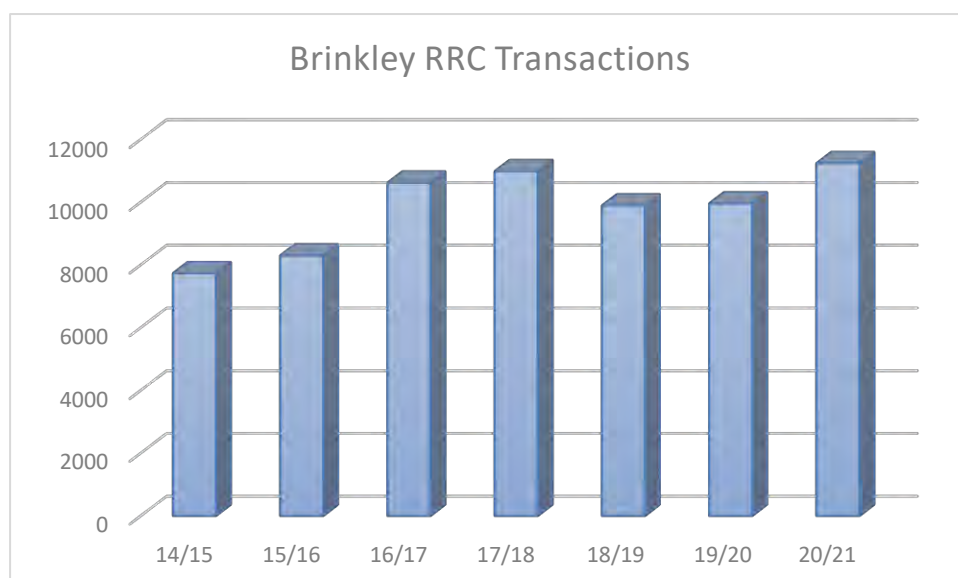
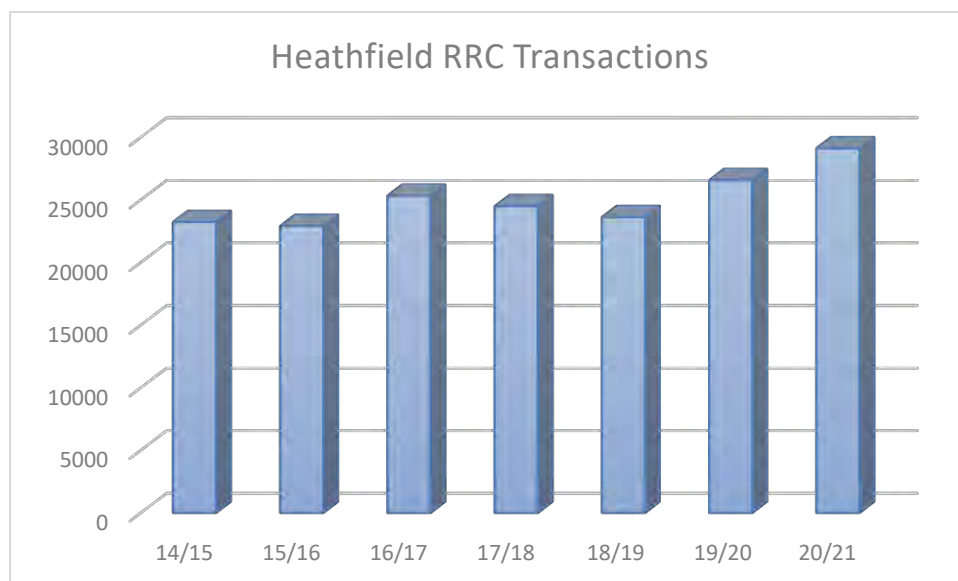
	Budget	Actual	Short term Adopted Target
<b>Operating Surplus Ratio - Indicator 1</b>	0%	21%	>0%
<b>Net Financial Liabilities Ratio - Indicator 2</b>	13%	19%	70%
<b>Interest Cover Ratio - Indicator 3</b>	0.60%	0.35%	1.50%
<b>Asset Renewal Funding Ratio - Indicator 4</b>	100%	103%	100%

# RESOURCE RECOVERY CENTRE OPERATIONS

The Authority manages two Resource Recovery Centres (RRCs) on behalf of its Constituent Councils. These sites are the Heathfield RRC, which serves the Adelaide Hills Council area with an approximate population of 40,000 people and the Brinkley RRC, which serves the Rural City of Murray Bridge area with an approximate population of 22,000 people.

## Site Usage

Both facilities have shown strong customer growth since the Authority commenced operations. The Heathfield customer numbers increased substantially in 2019/20, which is likely a result of increased services, such as the chemical drop off, fire waste disposal and free green organics days and this increasing trend has continued into 2020/21. The Brinkley RRC also saw an increase in customer numbers in 2020/21.





## Tonnes to Landfill

The tonnes of waste disposed to landfill from both the Brinkley RRC reduced in 2020/21 and Heathfield increased slightly, which is a good outcome considering the increase in customer numbers. All material which can be reused, reprocessed or recycled is removed from the waste stream prior to transportation to landfill. For example, green organics are chipped on site and sold as mulch and construction and demolition material is stored for crushing and reuse.

Resource Recovery Sites - Waste Tonnes to Landfill						
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Heathfield	2,010	1,840	1,562	1,533	1,719	1,760
Brinkley	1,682	1,818	1,719	1,623	1,138	1,041

## Financials

The Brinkley RRC exceeded the 2020/21 budget target, finishing the year with a net surplus of \$13,795, compared to a budgeted loss of \$34,000. Even though the Brinkley RRC finished the year in surplus there is material on site requiring processing, which did not occur in the financial year and therefore this expense will be carried over to 2021/22.

The Heathfield site finished the year a net loss of \$66,568, compared to a budget net loss of \$40,000, a negative variance of \$26,568.

The Authority will continue to monitor the Resource Recover Centre budgets and adjust operations where required, aiming to minimise the losses across the site. It is recognised that the sites are operated for community benefit and we aim to recover costs at the sites and work towards a break-even position, without significantly increasing user fees.



**The Authority create mulch from greens materials dropped off at our RRCs which is then sold to customers**





In 2020/21 the Heathfield RRC received 69 tonnes of material

Top ten hazardous waste quantity increases (by percentage) by category at the Heathfield Resource Recovery Centre:

Chemical name	2019-20 (kg)	2020-21 (kg)	Grand Total	Increase
Waste oil	2,655	17,669	20,324	665.50%
Solvent-based paint	2,293	6,374	8,667	277.98%
Water-based paint	8,515	21,596	30,111	253.62%
Carbon Dioxide canister	387	861	1,248	222.48%
Creosote*	1,556	3,384	4,940	217.48%
Gas bottles LPG	1,937	3,271	5,208	168.87%
Alkaline batteries	411	670	1,081	163.02%
Aerosol paints	422	682	1,104	161.61%
Coolant	6,166	9,882	16,048	160.27%
Flammable liquids	1,874	2,433	4,307	129.83%

\*Creosote is a toxic organic liquid

These are just some of the waste materials that make up the more than 69 tonnes, of hazardous waste that responsible residents have dropped off free of charge to the Heathfield Resource Recovery Centre (HRRC) in the 2020/21 financial year alone

The Authority collect asbestos, Drummuster containers and tyres across our RRCs for recycling or appropriate disposal at licenced facilities





## KERBSIDE WASTE & RECYCLING COLLECTIONS

### Adelaide Hills, Mount Barker & Murray Bridge

The Authority facilitates the shared Strategic Resource Recovery Coordinator across three of the Member Councils: Adelaide Hills Council, Mount Barker District Council and the Rural City of Murray Bridge. The Strategic Resource Recovery Coordinator manages waste services on behalf of these Councils.

### 2020-21 Highlights

**In conjunction with our Constituent Councils the Strategic Resource Recovery Coordinator achieved the following;**

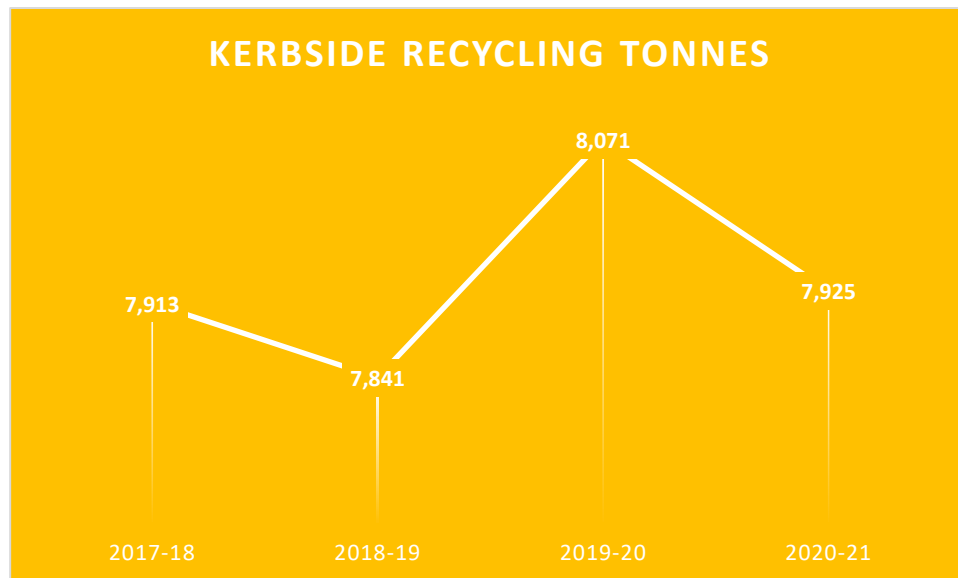
- Undertook a hard waste service investigation for MBDC, including multiple reports, community consultation and presentations to Elected Members.
- Successfully applied for and received funding from Green Industries SA to conduct a Strategic Review of Windmill Hill Transfer Station
- Lead role in the development of a working party to implement a consistent waste management system for the Civic Centre, the ESC and Library for MBDC.
- Implemented waste education program for schools and community groups via KESAB for MBDC.
- Provided ongoing advice and support to management in the negotiation of the kerbside collection contracts with Solo for both MBDC and RCMB in response to the impact of the China National Sword Policy for recyclables. Aided the resolution of operational issues as required, including review of invoicing and data management.
- Successfully applied for and received funding from Green Industries SA for the Regional Transport Subsidies Program for MBDC and RCMB to support their continued recycling efforts in response to the challenges presented by China's National Sword Policy.
- Successfully implemented a polystyrene (foam) machine at Heathfield Resource Recovery Centre as part of funding received from Green Industries SA.
- Coordinated and managed environmental monitoring at various operating and closed sites.
- Provided ongoing assistance and advice to management for the site contamination audit at the a former closed landfill, including ongoing environmental monitoring on behalf of AHC.
- Coordinated regular operational meetings between the Authority and RCMB for the Brinkley RRC.
- Completed mandatory reporting on behalf of Constituent Councils and provided general waste and recycling information and advice.



## Recycling Service

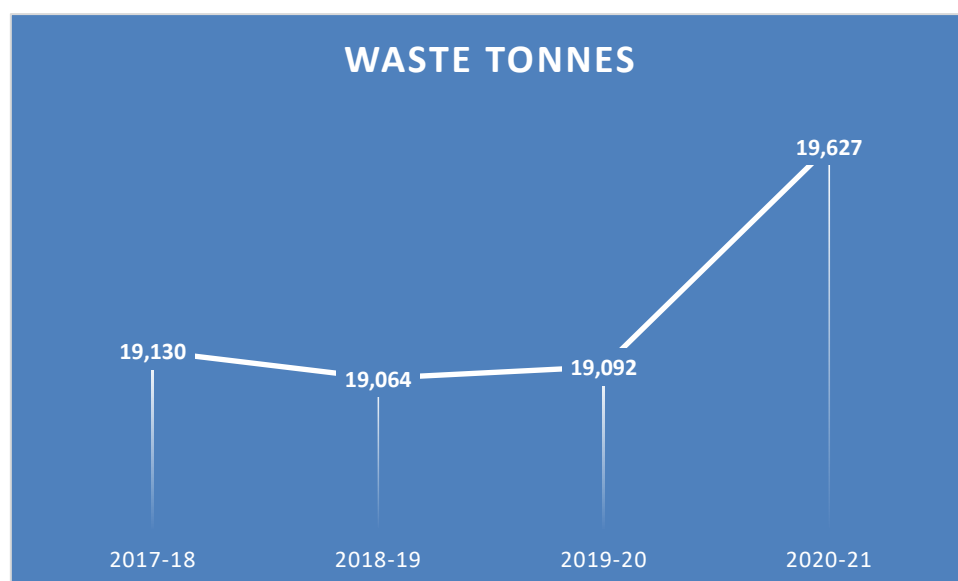
### Recycling Service

Across the three Constituent Councils a total of 7,925 tonnes of recycling was collected via the kerbside service, which is a decrease of 147 tonnes (-1.82%) compared to the 2019/20 year (where as there was an increase of 231 tonnes (2.94%) from the previous 2018/19 year when compared to the 2019/20 year).



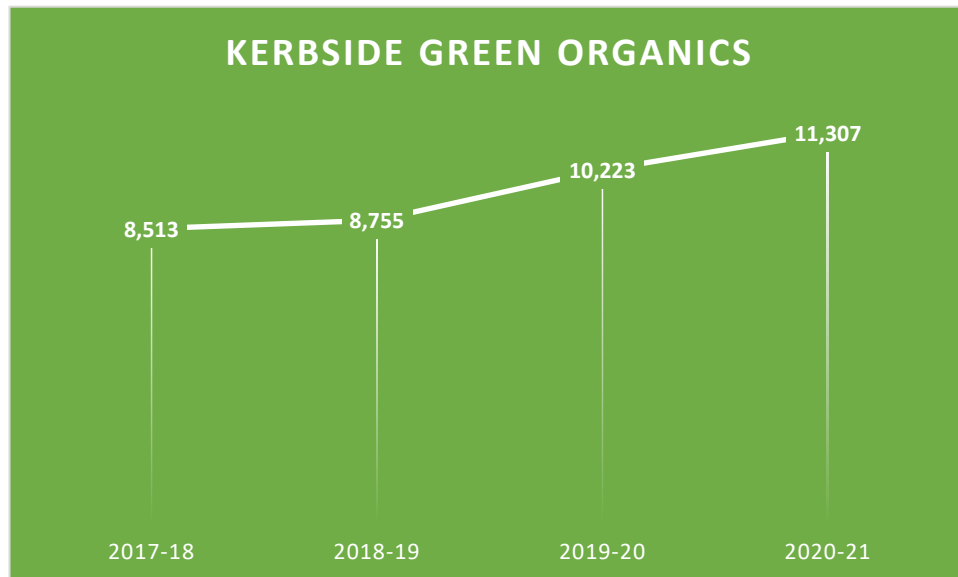
## Waste Service

Total kerbside waste disposed to landfill (19,627 tonnes) from within the three Constituent Council regions increased by 535 tonnes (2.8%) in comparison to the previous 2019/20 year, while the population continues to grow. MBDC saw a significant increase of 6.67% (480 tonnes) whereas AHC saw a decrease of 39 waste tonnes (-0.52%) for the year.



## Kerbside Green Organics (FOGO)

Properties within the township areas of the three Constituent Councils are entitled to a green bin service, which also accepts food waste. The green organics tonnes collected has continued to increase significantly. The 2020/21 financial year saw an increase of green organics of 1,084 tonnes (10.6%) from the previous 2019/20 financial year.

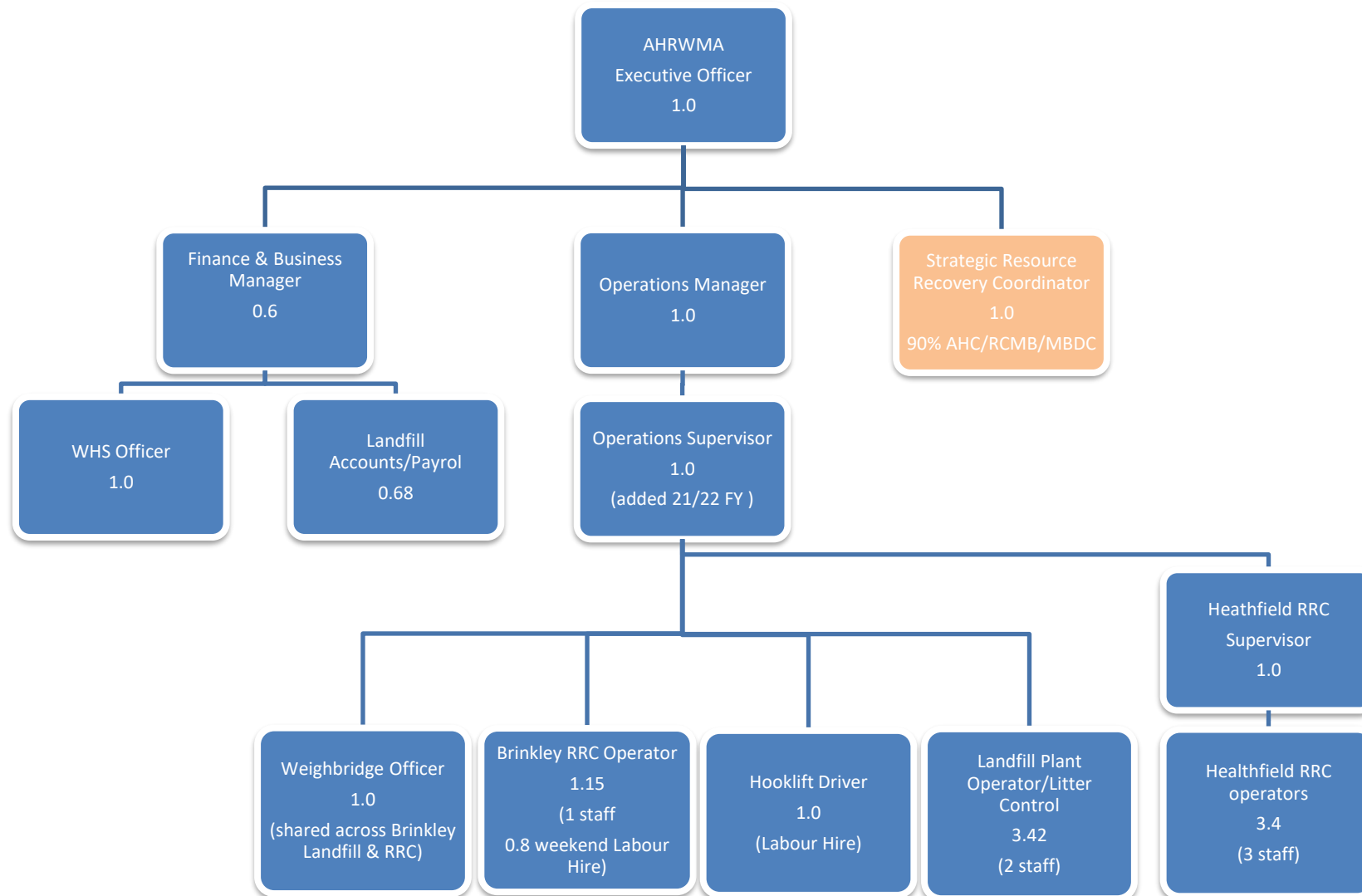


## Diversion Rates

Each of the Councils have achieved the following landfill diversion rates and all have increased slightly when compared to the previous 2019/20 year.

Council	2019/20	2020/21	% change
AHC	50.7%	51.7%	1.0%
MBDC	49.4%	49.5%	0.1%
RCMB	44.5%	45.1%	0.6%

## Organisation Chart 2020/21





# Adelaide Hills Region Waste Management Authority

## General Purpose Financial Reports

### for the year ended 30 June 2021

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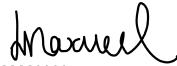
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**Adelaide Hills Region Waste Management Authority**  
**Annual Financial Statements**  
**for the year ending 30 June 2021**

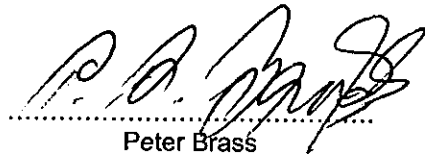
**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2021, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



.....  
Leah Maxwell  
**EXECUTIVE OFFICER**



.....  
Peter Brass  
**CHAIR**  
**AUDIT COMMITTEE**

Date: 01 September 2021

**Adelaide Hills Region Waste Management Authority**  
**Statement of Comprehensive Income**  
for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
<b>INCOME</b>			
User charges	2	5,300,030	4,451,469
Investment income	2	16	140
Other income	2	3,991,821	2,035,916
<b>Total Income</b>		<b>9,291,867</b>	<b>6,487,525</b>
<b>EXPENSES</b>			
Employee costs	3	1,388,354	1,120,733
Materials, contracts and other expenses	3	5,371,434	4,586,109
Depreciation, amortisation & impairment	3	612,849	599,696
Finance costs	3	32,143	50,925
<b>Total Expenses</b>		<b>7,404,780</b>	<b>6,357,463</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>1,887,087</b>	<b>130,062</b>
Asset disposal and fair value adjustments	4	47,052	1,419
<b>NET SURPLUS / (DEFICIT) (transferred to Equity Statement)</b>		<b>1,934,139</b>	<b>131,481</b>
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>1,934,139</b>	<b>131,481</b>

This Statement is to be read in conjunction with the attached Notes.



**Adelaide Hills Region Waste Management Authority**  
**Statement of Financial Position**  
for the year ended 30 June 2021

		2021	2020
<b>ASSETS</b>	<b>Notes</b>	<b>\$</b>	<b>\$</b>
<b>Current Assets</b>			
Cash and cash equivalents	5	264,637	267,497
Trade and other receivables	5	1,788,975	614,549
Inventories	5	1,958	2,256
<b>Total Current Assets</b>		<b>2,055,570</b>	<b>884,302</b>
<b>Non-current Assets</b>			
Infrastructure, property, plant and equipment	6	4,744,650	4,936,546
<b>Total Non-current Assets</b>		<b>4,744,650</b>	<b>4,936,546</b>
<b>Total Assets</b>		<b>6,800,220</b>	<b>5,820,848</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	7	853,291	878,205
Borrowings	7	671,808	1,471,228
Provisions	7	308,568	276,221
<b>Total Current Liabilities</b>		<b>1,833,667</b>	<b>2,625,654</b>
<b>Non-current Liabilities</b>			
Borrowings	7	190,429	236,989
Provisions	7	1,815,560	1,931,780
<b>Total Non-current Liabilities</b>		<b>2,005,989</b>	<b>2,168,769</b>
<b>Total Liabilities</b>		<b>3,839,656</b>	<b>4,794,423</b>
<b>NET ASSETS</b>		<b>2,960,564</b>	<b>1,026,425</b>
<b>EQUITY</b>			
Accumulated surplus		2,960,564	1,026,425
<b>TOTAL EQUITY</b>		<b>2,960,564</b>	<b>1,026,425</b>

This Statement is to be read in conjunction with the attached Notes.

**Adelaide Hills Region Waste Management Authority**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2021**

		Accumulated Surplus	TOTAL EQUITY
2021	Notes	\$	\$
Balance at end of previous reporting period		1,026,425	1,026,425
<b>Net Surplus / (Deficit) for Year</b>		<b>1,934,139</b>	<b>1,934,139</b>
<b>Balance at end of period</b>		<b>2,960,564</b>	<b>2,960,564</b>
<b>2020</b>			
Balance at end of previous reporting period		894,944	894,944
<b>Net Surplus / (Deficit) for Year</b>		<b>131,481</b>	<b>131,481</b>
<b>Balance at end of period</b>		<b>1,026,425</b>	<b>1,026,425</b>

This Statement is to be read in conjunction with the attached Notes

**Adelaide Hills Region Waste Management Authority**  
**Statement of Cash Flow**  
**for the year ended 30 June 2021**

		2021	2020
	Notes	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i><b>Receipts:</b></i>			
User charges		5,812,283	4,724,188
Investment receipts		16	140
Other revenues		2,899,094	1,895,953
<i><b>Payments:</b></i>			
Employee costs		(1,348,408)	(1,103,698)
Materials, contracts and other expenses		(5,985,112)	(4,707,074)
Finance payments		(37,033)	(55,661)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>1,340,840</b>	<b>753,848</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i><b>Receipts:</b></i>			
Sale of replaced assets		80,780	53,000
<i><b>Payments:</b></i>			
Expenditure on renewal/replacement of assets		(514,300)	(202,037)
Expenditure on new/upgraded assets		(64,200)	(452,000)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(497,720)</b>	<b>(601,037)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i><b>Receipts:</b></i>			
Proceeds from borrowings		-	100,000
<i><b>Payments:</b></i>			
Repayments of borrowings		(801,607)	(252,645)
Repayment of lease liabilities		(44,373)	(42,261)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(845,980)</b>	<b>(194,906)</b>
<b>Net Increase (Decrease) in cash held</b>		<b>(2,860)</b>	<b>(42,095)</b>
Cash and cash equivalents at beginning of period	9	267,497	309,592
<b>Cash and cash equivalents at end of period</b>	<b>9</b>	<b>264,637</b>	<b>267,497</b>

This Statement is to be read in conjunction with the attached Notes



# **Adelaide Hills Region Waste Management Authority**

## **Notes to and forming part of the Financial Statements**

### **for the year ended 30 June 2021**

#### **Note 1 - SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **1 Basis of Preparation**

###### **1.1 Compliance with Australian Accounting Standards**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The Authority is a Local Government Authority Section 43 regional subsidiary under the control of Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge.

###### **1.2 Historical Cost Convention**

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

###### **1.3 Critical Accounting Estimates**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

###### **1.4 Rounding**

All amounts in the financial statements have been rounded to the nearest dollar (\$).

##### **2 The Local Government Reporting Entity**

Adelaide Hills Region Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the Local Government Act 1999 & Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at c/-of Mount Barker District Council, 6 Dutton Road, Mt Barker. These financial statements have been prepared for use by Constituent Councils of the Authority.

##### **3 Income recognition**

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

##### **4 Cash, Cash Equivalents and other Financial Instruments**

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policy applied to financial instruments forms part of Note 10.

##### **5 Inventories**

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

# Adelaide Hills Region Waste Management Authority

## Notes to and forming part of the Financial Statements

### for the year ended 30 June 2021

#### **6 Infrastructure, Property, Plant & Equipment**

##### **6.1 Initial Recognition**

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

##### **6.2 Materiality**

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are as follows. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Landfill Assets	\$1,000
Road Construction & Reconstruction	\$10,000

##### **6.3 Depreciation of Non-Current Assets**

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

##### **Plant, Furniture & Equipment**

Office Equipment	3 - 5 years
Other Plant & Equipment	3 - 10 years

##### **Infrastructure**

Unsealed Roads	15 years
Fencing	15 years
Water Tanks	30 years
Litter Fence	5 years
Pumps	5 years
Monitor Bore	10 years
Buildings	20 years
Roads	25 years

Cell amortisation is calculated by amortising total consumed airspace. Used airspace is surveyed monthly by an independent surveyor. In prior years the Authority has calculated landfill amortisation on estimated remaining useful life. Accordingly the change to amortisation based on airspace consumption is considered to be a more accurate representation of written down value.

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**6.4 Impairment**

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

**6.5 Borrowing Costs**

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with the allowed alternative treatment in AASB 123 Borrowing Costs. The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

**7 Payables**

**7.1 Goods & Services**

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

**7.2 Payments Received in Advance & Deposits**

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to Authority assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

**8 Borrowings**

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

**9 Employee Benefits**

**9.1 Salaries, Wages & Compensated Absences**

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

**9.2 Superannuation**

The Authority makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the accumulation section.

**Accumulation only Members**

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2021 and 9.5% in 2020). No further



# **Adelaide Hills Region Waste Management Authority**

## **Notes to and forming part of the Financial Statements**

### **for the year ended 30 June 2021**

liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

#### **Salarylink (Defined Benefit Fund) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2019-20) of "superannuation" salary.

In addition, the Authority makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), the Authority does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

#### **Contributions to Other Superannuation Schemes**

The Authority also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Authority.

#### **10 Rehabilitation**

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

The Authority recognises a capping liability for all past and present active landfill cell operational areas. For which capping rehabilitation works have not yet been completed.

The Authority recognises a capping liability for a historical cell given it is believed that it will be responsible for capping this area in future years and has accordingly recognised a liability. The Authority however is not presently obligated to undertake this work given the liability to cap the cell resides with the existing owners of the site.

The Authority has calculated the liability based on an alternate capping design being accepted by the Environmental Protection Authority South Australia (EPA) which is in the process of being approved. Should there be an unfavourable outcome from the alternate capping plan application process, this may result in further increases to the liability needing to be recorded in future periods.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustment to the liability as required ensuring an accurate projected cost of the liability is showing in the Statement of Financial Position. The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified.

#### **11 Leases**

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, being the land leased at Brinkley Landfill.

##### **i) Right-of-use assets**

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

The Authority recognises right-of-use assets as at 1 July 2019. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life.

ii) Lease liabilities

At the commencement date, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

**12                    *Changes to comparative figures***

During the financial year, the Authority has reviewed the allocation and classification of some transactions which has been updated in the comparative information presented. Changes in classification has resulted in no change to the previously reported financial performance and position of the Authority.

**13                    *Amendments to AASB101 and AASB 108 Definition of Material***

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Authority.

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 2 - INCOME**

	Notes	2021 \$	2020 \$
<b>USER CHARGES</b>			
Waste processing and disposal fee		1,988,923	1,726,835
EPA waste levy collected		3,311,107	2,724,634
		<b>5,300,030</b>	<b>4,451,469</b>
<b>INVESTMENT INCOME</b>			
Interest on investments		16	140
<b>OTHER INCOME</b>			
Consultancy service		14,889	3,447
Waste officer contribution		174,671	116,802
Waste transfer station income		1,648,655	1,443,863
Waste transfer station recuperation		52,773	53,353
Transport income		250,938	234,143
Fuel tax rebate		48,219	43,865
Machinery charge out		123,725	113,159
Recycled income		8,561	2,997
Sundry		1,669,390	24,287
		<b>3,991,821</b>	<b>2,035,916</b>



**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 3 - EXPENSE**

	Notes	2021 \$	2020 \$
<b>EMPLOYEE COSTS</b>			
Salaries and wages		1,017,531	838,688
Employee leave expense		164,666	115,200
Superannuation	1(9.2)	102,336	88,821
Superannuation - defined benefit plan contributions	1(9.2)	3,071	-
Workers' compensation insurance		34,012	26,719
Other		66,738	51,305
<b>Total Operating Employee Costs</b>		<b>1,388,354</b>	<b>1,120,733</b>
<b>Total Number of Employees</b>		<b>13</b>	<b>11</b>
<i>(Full time equivalent at end of reporting period)</i>			
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's remuneration			
- Auditing the financial reports		5,508	4,702
Bad and doubtful debts		812	-
Subtotal - Prescribed Expenses		6,320	4,702
<u>Other Materials, Contracts &amp; Expenses</u>			
Materials, contractors and other		364,193	236,106
Waste transfer station expenses		1,134,076	988,957
Consultants		52,681	51,359
Administration and accountancy service		71,261	82,138
EPA licence fee		9,611	9,430
Repairs and maintenance		179,075	189,031
Insurance and legal		66,053	126,621
EPA waste levy paid		3,311,107	2,724,634
Parts, accessories & consumables		157,621	161,519
Sundry		19,436	11,612
Subtotal - Other Materials, Contracts & Expenses		5,365,114	4,581,407
		<b>5,371,434</b>	<b>4,586,109</b>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 3 - EXPENSES con't**

		2021	2020
	Notes	\$	\$
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Road infrastructure		5,534	5,534
Buildings		15,012	13,458
Vehicles		29,378	16,654
Plant and equipment		284,909	258,579
Landfill cells		99,583	110,533
Leachate pond		8,697	8,697
Landfill rehabilitation		38,443	50,232
Landfill cell capping		82,750	87,466
Right of use assets	7	48,543	48,543
		<u>612,849</u>	<u>599,696</u>
<b>FINANCE COSTS</b>			
Interest on overdraft and short-term drawdown		24,999	42,511
Interest on leases		7,144	8,414
		<u>32,143</u>	<u>50,925</u>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS**

	2021	2020
Notes	\$	\$
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	80,780	53,000
Less: Carrying amount of assets sold	(33,728)	(51,581)
<b>Gain (Loss) on disposal</b>	47,052	1,419
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>	47,052	1,419



**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 5 - CURRENT ASSETS**

		2021	2020
<b>CASH AND EQUIVALENT ASSETS</b>	<b>Notes</b>	<b>\$</b>	<b>\$</b>
Cash on hand and at bank		<b>264,637</b>	267,497
		<b>264,637</b>	267,497
<b>TRADE AND OTHER RECEIVABLES</b>			
Accrued revenues		<b>1,209,967</b>	53,291
Debtors - general		<b>579,008</b>	561,258
		<b>1,788,975</b>	614,549
<b>INVENTORIES</b>			
Stores and materials		<b>1,958</b>	2,256
		<b>1,958</b>	2,256

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 6 - INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT (IPP&E)**

	Fair Value Level	2020 \$'000				2021 \$'000			
		Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Road infrastructure		-	138,352	(38,807)	99,545	-	138,352	(44,341)	94,011
Buildings		-	273,605	(91,170)	182,435	-	274,532	(106,182)	168,350
Vehicles		-	131,482	(61,974)	69,508	-	164,768	(55,743)	109,025
Plant and equipment		-	3,218,528	(1,548,695)	1,669,833	-	3,599,055	(1,739,181)	1,859,874
Landfill cells		-	2,559,142	(1,353,088)	1,206,054	-	2,559,142	(1,452,671)	1,106,471
Leachate pond		-	173,938	(54,106)	119,832	-	173,938	(62,803)	111,135
Landfill rehabilitation		-	602,784	(205,369)	397,415	-	461,321	(243,812)	217,509
Landfill cell capping		-	1,470,335	(553,491)	916,844	-	1,487,979	(636,241)	851,738
Right of use assets		-	323,623	(48,543)	275,080	-	323,623	(97,086)	226,537
<b>Total</b>		-	8,891,789	(3,955,243)	4,936,546	-	9,182,710	(4,438,060)	4,744,650
	<b>Comparatives</b>	-	<b>7,671,248</b>	<b>(3,456,828)</b>	<b>4,214,420</b>	-	<b>8,891,789</b>	<b>(3,955,243)</b>	<b>4,936,546</b>

*This Note continues on the following pages.*

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
for the year ended 30 June 2021

**Note 6 - INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT**

	2020	2021								
	\$	\$								
	Carrying Amount	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	Adjustment	Net Reval'n	Carrying Amount
		New / Upgrade	Renewals							
Road infrastructure	99,545		-	-	-	(5,534)	-	-	-	94,011
Buildings	182,435		927	-	-	(15,012)	-	-	-	168,350
Vehicles	69,508		-	68,895	-	(29,378)	-	-	-	109,025
Plant and equipment	1,669,833		63,273	445,405	(33,728)	(284,909)	-	-	-	1,859,874
Landfill cells	1,206,054		-	-	-	(99,583)	-	-	-	1,106,471
Leachate pond	119,832		-	-	-	(8,697)	-	-	-	111,135
Landfill rehabilitation	397,415		-	-	-	(38,443)	-	(141,463)	-	217,509
Landfill cell capping	916,844		-	-	-	(82,750)	-	17,644	-	851,738
Right of use assets	275,080		-	-	-	(48,543)	-	-	-	226,537
Total IPP&E	4,936,546		-	64,200	514,300	(33,728)	(612,849)	-	(123,819)	-
Comparatives	4,214,420	323,623	452,000	202,037	(51,581)	(599,696)	-	395,743	-	4,936,546



**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 7 - LIABILITIES**

		2021		2020	
		\$		\$	
<b>TRADE AND OTHER PAYABLES</b>	<b>Notes</b>	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
Goods and services		768,118		678,849	
Payments received in advance		20,000	-	20,000	-
Accrued expenses - other		4,234	-	9,124	-
GST payable		24,262	-	116,568	-
Other payables		36,677	-	53,664	-
		<b>853,291</b>	<b>-</b>	<b>878,205</b>	<b>-</b>
<b>BORROWINGS</b>					
Leases liabilities	17	46,560	190,429	44,373	236,989
LGFA cash advance debenture facility		625,248	-	1,426,855	-
		<b>671,808</b>	<b>190,429</b>	<b>1,471,228</b>	<b>236,989</b>
<b>PROVISIONS</b>					
Employee entitlements (including oncosts)		308,568	23,042	276,221	15,443
Future reinstatement / restoration, etc		-	461,321	-	602,784
Cell capping		-	1,331,197	-	1,313,553
		<b>308,568</b>	<b>1,815,560</b>	<b>276,221</b>	<b>1,931,780</b>
<b>Movements in Landfill Provisions – 2021 year only (current &amp; non-current)</b>					
		<i>Future Reinstatement</i>	<i>Cell capping</i>	<i>Total</i>	
Opening balance		602,784	1,313,553	1,916,337	
Add (Less) remeasurement adjustments		(141,463)	17,644	(123,819)	
Closing balance		461,321	1,331,197	1,792,518	

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 8 - RECONCILIATION TO CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

Cash assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	<b>Notes</b>	<b>2021</b>	<b>2020</b>
		<b>\$</b>	<b>\$</b>
Total cash and equivalent assets	5	<b>264,637</b>	267,497
Balances per cash flow statement		<b>264,637</b>	267,497

**(b) Reconciliation of Change in Net Assets to Cash from Operating Activities**

Net Surplus (Deficit)	<b>1,934,139</b>	131,481
Non-cash items in income statement		
Depreciation, amortisation and impairment	<b>612,849</b>	599,696
Net increase (decrease) in unpaid employee benefits	<b>39,946</b>	17,035
Net (Gain) Loss on disposals	<b>(47,052)</b>	<b>(1,419)</b>
	<b>2,539,882</b>	746,793
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	<b>(49,426)</b>	<b>(210,733)</b>
Net (increase) decrease in inventories	<b>298</b>	1,535
Net increase (decrease) in trade & other payables	<b>(24,914)</b>	216,252
<b>Net Cash provided by (or used in) operations</b>	<b>2,465,840</b>	753,847

**(c) Non-Cash Financing and Investing Activities**

Estimated future reinstatement etc. costs	<b>(123,819)</b>	395,744
-------------------------------------------	------------------	---------

**(d) Financing Arrangements**

Unrestricted access was available at balance date to the following lines of credit:

Corporate credit cards	<b>10,000</b>	10,000
LGFA cash advance debenture facility	<b>1,650,000</b>	1,650,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 9 - FINANCIAL INSTRUMENTS**

All financial instruments are categorised as *loans and receivables*.

**Accounting Policies - Recognised Financial Instruments**

<b>Bank, Deposits at Call</b>	<p><b>Accounting Policy:</b> carried at lower of cost and net realisable value, interest is recognised when earned.</p> <p><b>Terms and conditions:</b> deposits at call have an average maturity of 90 days and an average interest rate of 0.3% (2020: 90 days 0.45%)</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables</b> - Fees and other charges	<p><b>Accounting Policy:</b> carried at nominal values less any allowances for doubtful debts.</p> <p><b>Terms and conditions:</b> unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Liabilities</b> - Creditors and Accruals	<p><b>Accounting Policy:</b> liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p><b>Terms and conditions:</b> liabilities are normally settled on 30 days after the month of invoice.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities</b> - Interest Bearing Borrowings	<p><b>Accounting Policy:</b> carried at the principle amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms and conditions:</b> secured over future revenues, interest is payable quarterly and principle due at CAD end date.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities</b> - Leases	<p><b>Accounting Policy:</b> accounted for in accordance with AASB 16 as stated in note 1</p>



**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 9 - FINANCIAL INSTRUMENTS (con't)**

**Liquidity Analysis**

<b>2021</b>	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b><u>Financial Assets</u></b>	\$	\$	\$	\$	\$
Cash & Equivalents	264,637	-	-	264,637	264,637
Receivables	1,788,975	-	-	1,788,975	1,788,975
<b>Total</b>	<b>2,053,612</b>	<b>-</b>	<b>-</b>	<b>2,053,612</b>	<b>2,053,612</b>
<b><u>Financial Liabilities</u></b>					
Payables	849,057	-	-	849,057	849,057
Current Borrowings	625,248	-	-	625,248	625,248
Lease Liabilities	52,722	202,371	-	255,093	236,989
<b>Total</b>	<b>1,527,027</b>	<b>202,371</b>	<b>-</b>	<b>1,729,398</b>	<b>1,711,294</b>

<b>2020</b>	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b><u>Financial Assets</u></b>	\$	\$	\$	\$	\$
Cash & Equivalents	267,497	-	-	267,497	267,497
Receivables	614,549	-	-	614,549	614,549
<b>Total</b>	<b>882,046</b>	<b>-</b>	<b>-</b>	<b>882,046</b>	<b>882,046</b>
<b><u>Financial Liabilities</u></b>					
Payables	869,081	-	-	869,081	869,081
Current Borrowings	1,426,855	-	-	1,426,855	1,426,855
Non-Current Borrowings	51,688	255,093	-	306,781	281,362
<b>Total</b>	<b>2,347,624</b>	<b>255,093</b>	<b>-</b>	<b>2,602,717</b>	<b>2,577,298</b>

The following interest rates were applicable to the Authority's borrowings at balance date:

	<b>30 June 2021</b>		<b>30 June 2020</b>	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
LGFA cash advance debenture	2.4	625,248	2.6	1,426,855
Non interest bearing		849,057		869,081
		<b>1,474,305</b>		<b>2,295,936</b>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 9 - FINANCIAL INSTRUMENTS (con't)**

**Net Fair Value**

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

**Risk Exposures:**

Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any allowance for doubtful debts. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 5 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available a range of standby borrowing facilities that it can access.

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Authority has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

**Note 10 - EXPENDITURE COMMITMENTS**

The Authority as at 30 June 2021 had no obligation for expenditure.

**Note 11 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED**

There were no contingencies, assets or liabilities not recognised subsequent to 30 June 2021 that need to be disclosed in the financial statements.

**Note 12 - EVENTS OCCURRING AFTER REPORTING DATE**

There were no events subsequent to 30 June 2021 that need to be disclosed in the financial statements.

# Adelaide Hills Region Waste Management Authority

## Notes to and forming part of the Financial Statements

### for the year ended 30 June 2021

#### Note 13 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority, prepared on a simplified uniform presentation framework basis.

All authority entities in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all authorities provide a common 'core' of financial information, which enables meaningful comparisons of each authorities finances.

	2021	2020
	\$	\$
Income	9,291,867	6,487,525
Expenses	<u>(7,404,780)</u>	<u>(6,357,463)</u>
<b>Operating Surplus / (Deficit)</b>	<b>1,887,087</b>	<b>130,062</b>
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	(514,300)	(202,037)
Add back Depreciation, Amortisation and Impairment	612,849	599,696
Proceeds from Sale of Replaced Assets	<u>80,780</u>	<u>53,000</u>
	<b>179,329</b>	<b>450,659</b>
<b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	(64,200)	(452,000)
	<u>(64,200)</u>	<u>(452,000)</u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b><u>2,002,216</u></b>	<b><u>128,721</u></b>



**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 14 - OPERATING LEASES**

***The Authority as a Lessee***

***Right of Use Asset***

Set out below are the carrying amounts (written down value) of right of use asset recognised within Infrastructure Property, Plant and Equipment.

<b>Carrying Value</b>	<b>Land \$</b>
At 1 July 2020	<b>275,080</b>
Depreciation Charge	<b>(48,543)</b>
<b>At 30 June 2021</b>	<b>226,537</b>

Set out below are the carrying amounts of lease liabilities (including under interest bearing loans and borrowings) and the movements during the period:

	<b>2021 \$</b>
Opening balance 1 July 2020	<b>281,362</b>
Accretion of Interest	<b>7,144</b>
Payments	<b>(51,517)</b>
<b>Closing Balance 30 June 2021</b>	<b>236,989</b>
Current	<b>46,560</b>
Non Current	<b>190,429</b>

**The following are amounts recognised on profit or loss:**

Depreciation expense right of use asset	48,543
Interest expense on lease liabilities	7,144
<b>Total amount recognised in profit and loss</b>	<b>55,687</b>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2021**

**Note 15 - RELATED PARTY DISCLOSURES**

**KEY MANAGEMENT PERSONNEL**

The key management personnel of the Authority include the Chair, the Board and the Executive Officer being prescribed officers under section 112 of the Local Government Act 1999. In all, key management personnel were paid the following total compensation:

	<b>2021</b>	2020
	\$	\$
Salaries, allowances & other short term benefits	214,063	211,910
Post-employment benefits	-	-
Long term benefits	13,569	13,506
Termination benefits	-	-
<b>TOTAL</b>	<b>227,632</b>	225,416

The following transactions occurred with related parties:

	<b>2021</b>	<b>Outstanding 30 June 2021</b>	2020	Outstanding 30 June 2020
	\$,000	\$,000	\$,000	\$,000
Adelaide Hills Council - provision of waste processing & disposal service	1,380	160	1,194	132
Alexandrina Council - provision of waste processing & disposal service	276	34	238	23
Mount Barker District Council - provision of waste processing & disposal service	1,219	134	952	87
Rural City of Murray Bridge - provision of waste processing & disposal service	781	58	569	81
<b>TOTAL</b>	<b>3,656</b>	<b>386</b>	2,953	323

\*Comparatives have been updated to include the EPA levy received from the Authority's Constituent Councils.

Amounts recorded as outstanding from related parties are recorded in trade and other receivables in Note 5.

The related parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority. No one Constituent Council individually has control of the policies.

# **Adelaide Hills Region Waste Management Authority**

## **Certification of Auditor Independence for the year ending 30 June 2021**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2021, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) Local Government (Financial Management) Regulations 2011.



.....  
Andrew Aitken  
**CHIEF EXECUTIVE OFFICER**  
Adelaide Hills Council

Date: 19 August 2021



## Adelaide Hills Region Waste Management Authority

### Certification of Auditor Independence for the year ending 30 June 2021

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2021, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) Local Government (Financial Management) Regulations 2011.



Glenn Rappensberg  
**CHIEF EXECUTIVE OFFICER**  
Alexandrina Council

Date:

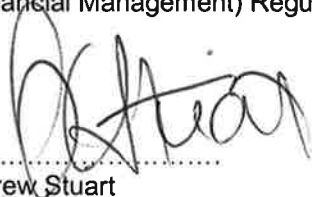
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## **Adelaide Hills Region Waste Management Authority**

### **Certification of Auditor Independence for the year ending 30 June 2021**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2021, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) Local Government (Financial Management) Regulations 2011.



.....  
Andrew Stuart  
**CHIEF EXECUTIVE OFFICER**  
Mount Barker District Council

Date: 12/08/21

# **ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY**

## **ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021**

### **CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2021, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) Local Government (Financial Management) Regulations 2011.

  
.....  
Michael Sedgman  
**CHIEF EXECUTIVE OFFICER**  
Rural City of Murray Bridge

20.07.2021

Date:



**HEAD OFFICE**

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North Adelaide SA 5006

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Dean Newbery  
ABN: 30 164 612 890

**Auditor's Independence Declaration under Section 22 of the Local Government (Financial Management) Regulations 2011 to the Adelaide Hills Region Waste Management Authority**

I confirm that, for the audit of the financial statements of the Adelaide Hills Region Waste Management Authority for the year ended 30 June 2021, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.



**SAMANTHA CRETEN**  
**PARTNER**

Signed on the 19<sup>th</sup> day of July 2021,  
at 214 Melbourne Street, North Adelaide, South Australia 5006

# ANNUAL REPORT

## 2020-2021



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Committees, Programs and Projects	Page 13
2020-21 Key Annual Action Plan Report	Page 21
Financials	Page 28

# Southern and Hills Local Government Association – Snapshot

**6**  
Councils

**SIZE**  
**8,656**  
Square Kilometres

**\$5.36b**  
GROSS  
REGIONAL  
PRODUCT

**63,519**  
EMPLOYED  
RESIDENTS

**5,539**  
KILOMETERS OF  
LOCAL ROADS

**132,206**  
REGIONS  
POPULATION

**TOURISM**  
Destination

Councils Total  
Revenue  
**\$192 MILLION**

OCEAN COASTLINE OF  
**652**  
Kilometres

Largest Industry  
Employment  
**Health Care and  
Social Assistance**



## About the Southern & Hills Local Government Association region

The Southern & Hills Local Government Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Consisting of six (6) local government Councils:

- Adelaide Hills Council
- Alexandrina Council
- Kangaroo Island Council
- Mt Barker District Council
- City of Victor Harbor
- District Council of Yankalilla

Collectively these six (6) Councils have:

- ☑ More than 126,000 people as of 30<sup>th</sup> June 2020.
- ☑ 5,539 kilometres of local roads
- ☑ Area consists of 8,656 square kilometres.
- ☑ An ocean coastline of 652 Km.
- ☑ The River Murray and lakes form the southeast boundary of the region.
- ☑ The region has extreme diversity from the foothill suburbs of Adelaide to the isolation of the inaccessible west coast of Flinders Chase National Park.
- ☑ Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry, fishing and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- ☑ The region contributed nearly \$6 billion in gross value to the State economy
- ☑ Much of the area has, (by South Australian standards) a high rainfall.
- ☑ A large part of the area is within the 30 Year Plan for Greater Adelaide.
- ☑ Significant growth pockets both in population and development, placing demands on infrastructure and the natural environment.
- ☑ Projected change in the population to 2026 by approximately 25%.
- ☑ Within the region, Victor Harbor and Goolwa are key retirement destinations.
- ☑ Within the region, The Adelaide Hills, The Fleurieu and Kangaroo Island are all major tourism destinations.
- ☑ Kangaroo Island is a major component of the Australian and SA tourism plan with tourist numbers targeted to double over the next decade.



## President's Report

It has been my pleasure to serve as President and Chair once again during 2020-2021.

I referred to the COVID19 virus pandemic in my previous years report and alluded to its impact "has been far reaching and yet to play out in full". Regrettably the impact has been far greater and longer and broader than we anticipated.

I wish to thank all S&HLGA member councils, all the elected members and the staff for their strong efforts to support each other and their own communities during this time.

Nonetheless we were still able as an organisation to continue the excellent work with many of our important regional programs and projects such as the work of the S&HLGA Roads Working Party and the development of a new 2030 Regional Transport Plan, monitoring the S&HLGA Regional Public Health plan and successfully rolling out two new critical social inclusion projects as well as implementing and monitoring the region's Climate Change Adaptation Plan.

We have continued to cement our many regional stakeholder and partner relationships, working very closely with the RDA to further the regional economic growth strategies and Infrastructure Plan, input into our two regional Landscape Boards Strategic plans supporting the establishment of the SA Coastal Councils Alliance as well as maintaining and reviewing key strategy and performance documents such as the Annual Action Items, Annual Budget and planning our new 2021-2025 Strategy and Business Plan. These activities are all designed to drive and improve the wellbeing of our communities.

I would once again point out the S&HLGA Value proposition report documents a consistent four figure percentage return on member Council subscriptions demonstrating amazing value for member councils.

S&HLGA has been an active participant on the LGA regional SAROC committee.

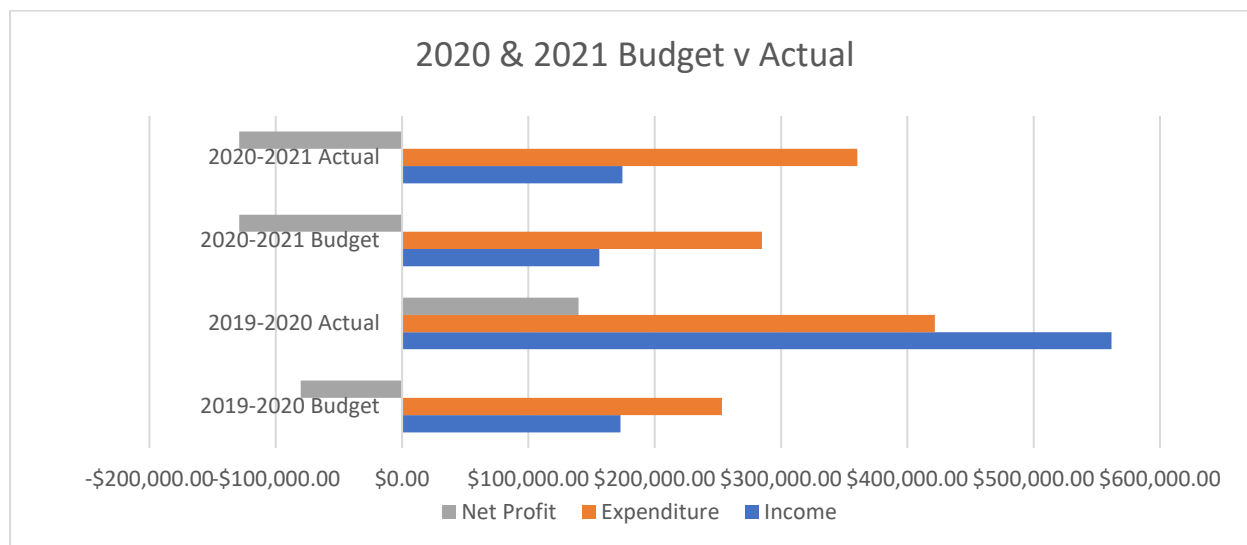
Thank you to our Executive Officer, Graeme Martin for his co-ordination and management and drive in supporting the body. He has been ably supported during 2020-2021 by Penny Worland in the Regional Public Health space.

In closing, I acknowledge and thank all the member councils for their support during the year and acknowledge the ongoing contribution of member Mayors and CEOs to the S&HLGA Board.

**Mayor Keith Parkes**  
**President**



## Dashboard 2020-2021



### Transport

- Commenced the new 2030 S&HLGA Transport Plan
- Recommended for Special Local Roads Funding of \$1,853,300
- Active participant in South East Transport Corridor Passenger and Freight Committees and forums
- Progressed the South Coast Freight Route concept

### Health and Wellbeing

- Continued with the development of the \$50,00 Community Wellbeing Indicators project
- Implemented and monitored the regional and member Council actions of the "Wellbeing in our Community" Regional Public Health Plan for S&HLGA
- Activated the two S&HLGA disability and inclusions projects, \$76,464 Regional Champions for Accessible Destinations and \$81,408 Regional Champions for Accessible Communications

### Environment

- Successfully negotiated and signed a new Climate Change Regional sector Agreement
- Implemented and monitored the actions of the Resilient Hills and Coasts Climate Change 2020-2025 Regional Action Plan
- Actively worked with the LGA and our regional Landscape Boards on developing strategies to combat and manage Little Corellas

2021 S&HLGA Value Summary	Average Value per Council	Total Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$363,062	\$2,178,372
Capacity building	\$7,025	\$42,151
<b>Total</b>	<b>\$390,087</b>	<b>\$2,340,523</b>

# ORGANISATION

S&HLGA Organisation and its Board structure, members and Office bearers



## The Southern and Hills Local Government Association Board

July 2020

Council	Elected Member Representative	Council Staff Representative
<b>Adelaide Hills</b>	Mayor Jan – Claire Wisdom	CEO Andrew Aitken
<b>Alexandrina Council</b>	Mayor Keith Parkes	CEO Glenn Rappensberg
<b>Kangaroo Island Council</b>	Mayor Michael Pengilly	CEO Greg Georgopolous
<b>Mt Barker District Council</b>	Mayor Ann Ferguson	CEO Andrew Stuart
<b>City of Victor Harbor</b>	Mayor Moira Jenkins	CEO Victoria MacKirdy
<b>District Council of Yankalilla</b>	Mayor Glen Rowlands*	CEO Nigel Morris
	*resigned 17 June 2021	

Council	Proxy Representative	Role
<b>Adelaide Hills</b>	Lachlan Miller	Executive Manager Governance
<b>Alexandrina Council</b>		
<b>Kangaroo Island Council</b>	Bob Teasdale	Deputy Mayor
<b>Mt Barker District Council</b>	Samantha Jones	Councillor
<b>City of Victor Harbor</b>		
<b>District Council of Yankalilla</b>	Simon Rothwell*	Deputy Mayor
	*Appointed to S&HLGA Board 17 June 2021	

**Office Bearers 2020 – 2021**

President	Mayor Keith Parkes, Alexandrina Council
Deputy President	Mayor Moira Jenkins, City of Victor Harbor
Executive Officer	Mr Graeme Martin
Auditor	Mr Nathan Saluja, Jon Colquhoun - HLB Mann Judd

Elected under the provisions of the Constitution of the Local Government Association:

Delegates to LGA Board	Mayor Keith Parkes	
	Mayor Jan – Claire Wisdom (via Metro/GAROC)	
Delegates to SAROC	Mayor Keith Parkes	Alexandrina Council
	Mayor Moira Jenkins	City of Victor Harbor

**Southern & Hills Local Government Association  
Past Presidents and Secretaries / Executive Officers**

<b>Years</b>	<b>President</b>	<b>Council</b>	<b>Secretary / EO</b>
2020 - 2021	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2019 – 2020	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2018 - 2019	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2017 – 2018	Mayor Keith Parkes <sup>g</sup>	Alexandrina Council	Graeme Martin
2016 - 2017	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2015 - 2016	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2014 - 2015	Mayor Bill Spragg <sup>f</sup> Mayor Ann Ferguson	Adelaide Hills Council DC Mount Barker	Graeme Martin
2013 - 2014	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2012 - 2013	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2011 - 2012	Mayor Ann Ferguson	DC Mount Barker	Fred Pedler <sup>d</sup> Graeme Martin <sup>e</sup>
2010 - 2011	Mayor Ann Ferguson <sup>c</sup> Mayor Brian Hurn OAM	DC Mount Barker The Barossa Council	Fred Pedler <sup>b</sup>
2009 - 2010	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2008 - 2009	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2007 - 2008	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2006 - 2007	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2005 - 2006	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2004 - 2005	Mayor Kym McHugh	Alexandrina Council	Fred Pedler <sup>b</sup>
2003 - 2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler <sup>b</sup>
2002 - 2003	Mayor John Crompton <sup>a</sup>	City of Victor Harbor	Fred Pedler <sup>b</sup>
2001 - 2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler <sup>b</sup>
1999 - 2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler <sup>b</sup>
1998 - 1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997 - 1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996 - 1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995 - 1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993 - 1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991 - 1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989 - 1990	Cr Val Bonython	DC East Torrens	Eric March
1987 - 1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985 - 1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984 - 1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982 - 1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980 - 1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976 - 1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		
30 <sup>th</sup> July 1969	First Constitution for S&HLGA Adopted		

Attendance register maintained for annual and half yearly conferences from 1968 to 1990

<sup>a</sup> Until 12<sup>th</sup> May 2003 <sup>b</sup> Executive Officer <sup>c</sup> From February 2011 <sup>d</sup> To December 2011 <sup>e</sup> From January 2012

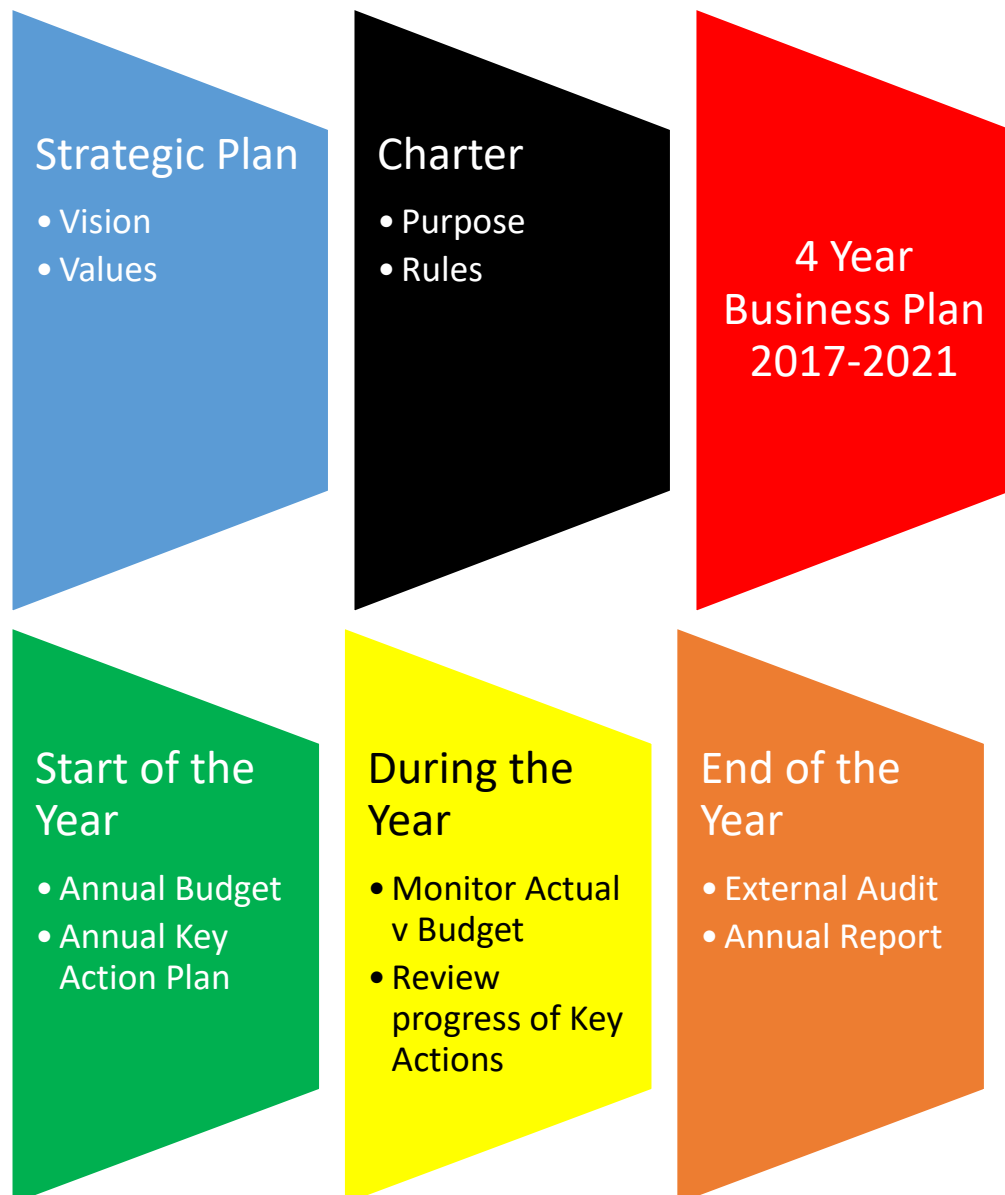
<sup>f</sup> From February 2015 <sup>g</sup> From December 2017



# REPORTING AND ACCOUNTABILITY

S&HLGA Reporting flow and performance monitoring

## S&HLGA Administration - Flow



## The Board

The Board held 6 ordinary bi-monthly meetings during the year. Board Members are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Board Members to gain firsthand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

Date	Host
21 August 2020	Mt Barker
23 October 2020	Adelaide Hills
11 December 2020	Alexandrina
26 February 2021	Kangaroo Island
16 April 2021	Adelaide Hills
18 June 2021	City of Victor Harbor

Key Issues acted on by the Board included:

- o Transferring, updating and maintaining of the S&HLGA Website to the new LGA Squiz platform
- o Implementing and monitoring the S&HLGA Regional Public Health Plan
- o Continued the development of the Community Wellbeing indicators project
- o Commenced the two ILC disability and social inclusion projects
- o Implementing and monitoring the S&HLGA Regional Climate Change Adaptation Plan and 2020-25 Regional Action Plan
- o Co-ordinated and signed new Climate Change regional sector agreement with DEW
- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to implement the 2019 Regional Public Transport study, develop the regional Infrastructure Priority Plan, and the South East Transport Corridor review
- o **The South Australian Regional Organisation of Councils (SAROC)** is a Committee of the LGA that focuses on key issues affecting country Councils. The S&HLGA continues to support the Governance process by attending the meetings, contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils.
- o Commissioned the new 2030 Regional Transport Plan, Special Local Roads Program applications as well as the advocacy of the South Coast Freight Corridor and Public Transport in the region.
- o Having input into and supporting the LGA in developing and highlighting Local Government reform issues and advocacy with the State Government
- o Assisted in the development of the South Australian Coastal Councils strategy and funding model
- o Continued to discuss and develop an updated Charter for S&HLGA



Regional Consultations and briefings were usually coordinated to occur on the day of Board meetings. 5 various speakers addressed meetings of the Board.

The Board reviewed its achievements to date via the 2020-2021 Key Action Plan, tracked the Actual performance against Budget and developed a new Budget and Action Plan for 2021-2022

At the commencement of 2019-2020 the Board completed a review of its Annual Key Actions, the EO performance and its Annual Budget performance covering the previous period.

### **S&HLGA Value proposition**

The S&HLGA provided a report back to its Council members on the estimated value of their membership. This is based on the same methodology utilised by the LGA in determining its membership value.

The value from membership in a regional organisation can be summarised in the following key categories; advocacy and representing the region, establishing and implementing high level regional partnerships and links, developing and strengthening regional capacity.

The table1 below summarise the ongoing value per council and for the region as a total.

2021 Summary	Average Value per Council	Total Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$363,062	\$2,178,372
Capacity building	\$7,025	\$42,151
Total	\$390,087	\$2,340,523

**Table 1**

The table 2 below summarises and compares the S&HLGA membership subscriptions and levies total with the value per S&HLGA member Councils as measured in the value proposition over the past years

	2018	2019	2020	2021
Av Council membership	\$12,529	\$12,279	\$13,536	\$15,202
Value per Council	\$427,871	\$430,953	\$401,809	\$390,087
Return on Investment	3,375%	3,385%	2,968%	2,466%

**Table 2**

# COMMITTEES, PROGRAMS AND PROJECTS

S&HLGA Committees, work groups and the programs and projects  
undertaken during 2020-2021

## Committees and Working/Task Groups

The S&HLGA EO was a member of the following Committees and Working Groups during the course of the year:

Committee	S&HLGA Executive Officer Role	Meeting Frequency	Comment
Regional Public Health	Secretarial/Administration	Every 2 months	ongoing
Resilient Hills & Coast - Climate change Adaptation	Secretarial/Administration	Every 2 months	ongoing
Regional Economic Development Officers	Committee member	Every 2 months	ongoing
Regional EO Management Group	Committee member	Every 2 months	Precedes SAROC
S&HLGA Advisory Group	Secretarial/Administration	As necessary	Precedes S&HLGA Board
S&HLGA Roads Works Group	Secretarial/Administration	Ad hoc but at least 3 times per annum	ongoing
S&HLGA CWMS User Group	Secretarial/Administration	As necessary	ongoing
SAROC	Advisor/Observer	Every 2 months	ongoing



### S&HLGA Roads Working Group

The Roads Working Party (RWP) has its membership drawn from directors /managers of technical services of Councils and as required regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure.

The RWP held meetings on:

Date	Host
15 December 2021	LGA Offices
22 April 2021	HDS (Aust) Pty Ltd offices

### Key achievements and outcomes:

- Evaluated the tenders and appointed the consultant for the development of the 2030 S&HLGA Transport Plan
- Co-ordinated the application process of Councils to the SLRP.
- Made recommendations for the SLRP 2021 – 2022 based on the 2020 Transport Plan critical Roads database.



- Reviewed Part A drafts of the next 2030 S&HLGA Transport plan due for completion in 2021
- Further input into the South Coast Freight Corridor concept
- The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2021 – 2022

Project	Council	Total Project Cost for this stage	SLRP request	Council contribution	comment
Wedgewood/Hickmans Rd	Kangaroo Island	\$1,650,000	\$1,100,00	\$550,000	Stage 4 of 4
Forktree Rd	District Council of Yankalilla	\$1,130,000	\$753,300	\$376,700	Stage 2 of 2
The Lane	Kangaroo Island	\$1,024,000	\$682,666	\$341,334	Stage 1 of 2
<b>Total</b>		<b>\$3,804,000</b>	<b>\$2,535,966</b>	<b>\$1,268,034</b>	



### S&HLGA Regional Public Health Plan

S&HLGA Regional Public Health Committee (RPHC) has its membership drawn from Health, Environment and social planning officers of the member Councils

The S&HLGA RPHC held meetings on:

Date	Host
14 July 2020	Alexandrina, Goolwa
8 December 2020	Alexandrina, Strathalbyn
2 March 2021	City of Victor Harbor
18 May 2021	Video Conference

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implement and monitor the Wellbeing in Our Community- Regional Public Health Plan
- Liaise with LGA officers responsible for Public Health Programs
- Liaise with SA Public Health Office
- Represent the region at Forums and workshops
- Liaise with Public Health Researchers
- Prepare funding submissions for regional Public Health projects

*Key achievements and outcomes:*

- Of significant importance was the further development and administration of the Community Wellbeing Indicators project
- In addition, the region successfully commenced the two ILC grants for disability and inclusion projects for Communications and Destinations.



### **S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills and Coasts)**

Resilient Hills and Coasts has its membership drawn from Environmental officers of the member Councils, RDA, Department of Water and Environment, Green Adelaide and Landscapes Board

The S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills & Coast) held meetings on:

<b>Date</b>	<b>Host</b>
8 October 2020	District Council of Yankalilla
2 December 2020	Adelaide Hills, Stirling
11 March 2021	Alexandrina, Goolwa
25 May 2021	Adelaide Hills, Stirling

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implementation and Monitoring of the Regional Climate Change Adaptation Plan for S&HLGA:
- S&HLGA presentations as required
- Implement and monitor the 2020-2025 Regional Action Plan
- Represent the region at forums and workshops
- Liaise with various "Climate Change" State Government agencies and authorities

*Key achievements and outcomes:*

- Developed and signed off on 2020-2025 Regional Sector Agreement
- Assisted South Australian Coastal Councils with funding and governance model
- Worked with SAROC developing a Little Corella management strategy
- Liaised with Hills and Fleurieu Landscape Board and had input into its Strategic Plan and annual business plan



## Regional Economic Development Network Committee

The S&HLGA has strongly supported the activities and research of the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and worked closely with RDA officers to partner with the organisation in the general Economic Development of the region.

This Committee has been formed with the Economic Development Officers from the S&HLGA Member Councils under the guidance of the RDA.

The RDA Economic Development Network Committee held meetings on:

Date	Host
10 August 2020	Video Conference
12 November 2020	Yankalilla, Normanville
8 February 2021	McLaren Vale
17 May 2021	Lobethal

Primary tasks and focus for this committee:

- To share information, achieve procurement and resource sharing efficiencies and develop a regional infrastructure Plan
- Identify and collating infrastructure projects from Council plans
- Grade them according to Local, District or Regional category, dollar value and impact and probability
- Review the criteria to insure relevant social and environmental impacts are captured
- Generally, identify and develop regional economic growth strategies and opportunities

*Key achievements and outcomes:*

- Continued advocacy on behalf of effected Councils for bushfire recovery funding
- Assisted and guided applicants with their Federal Government Building Better Regions Fund
- Worked through the meeting Action items
- Shared information and knowledge about individual Council projects and programs



## Regional LGA Organisations EO Management Group

The Regional LGA EO group has its membership drawn from each of the Executive Officers of the respective regional LGA organisations

The Regional LGA Organisations EO Management Group held meetings on:

Date	Host
2 July 2020	LGA House
27 August 2020	Whyalla
16 December 2020	LGA House
3 February 2021	Video Conference
28 April 2021	In - studio Adelaide

Primary tasks and focus for this committee:

- To provide input into the sector, develop capacity, share knowledge and develop co-operation between the regions:
- Have input into SAROC Business Plans and the Agenda
- Develop a working relationship with the LGA Management team
- Have input into sector issues
- Advocate on behalf of the regions
- Share information and provide collegiate support
- Develop a priority issues and action list

*Key achievements and outcomes:*

- Input into the SAROC 2020-2021 Business Plan
- Identified critical regional issues with CWMS and Waste recovery and developed research discussion papers on same
- Lead reviews of Special Local Roads Program and LGA Regional Capacity Building Grant program



**SAROC**

The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils.

The S&HLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils that included:

*Key achievements and outcomes:*

- Review of the 2020 SAROC Annual Business Plan and development of the 2021 SAROC Annual Business Plan
- Working on the management and control of abundant pest species particularly Little Corellas
- Assist and input into the development and rollout of the new Planning and Design Code



- Continued working on Coastal Council Alliance project and the development of its Governance structure, strategic plan and funding model
- Taking a leadership position on Waste and recycling strategy
- Continued its work with the State Government on support for the second tranche of Climate Change and adaptation sector partner agreements
- Continued working with the State Government on the role of the LG sector in any economic recovery and stimulus programs
- Advocated to address deteriorating medical services in regional areas



### MP Relationships

In conjunction with the CEO and Chair of the RDA, the EO S&HLGA met regularly with the regions State government MPs (Finniss, Kavel and Heysen) to discuss key priorities and policy impact for the region.

Federal MP Rebekha Sharkie (Mayo) and/or members of her team were regular attendees at S&HLGA Board meetings

### Regional Research Papers and Submissions

The following Papers and Submissions have been prepared on behalf of Member Councils during the course of the year:

- 2021 Value proposition
- Review of the S&HLGA Charter
- Response and input into the Hudson Howell review of the Special Local Roads Program
- Report for the signing of the second Climate Change Regional Sector agreement
- Report for the continuance of the exemption for an Audit Committee

## Workshops and seminars

The Executive officer represented the member Councils at various workshops and seminars during the course of the year:

Date	Event
September 2020	LGA Reform workshop
October 2020	RDA Rail Corridor meeting
October 2020	LGA AGM
February 2021	Hills Transport passenger group workshop
February 2021	Premiers Climate Change Council of SA Leaders Awards
March 2021	Hills Transport freight group workshop
April 2021	Bailey Abbott opportunities meeting
May 2021	LGA SLRP workshop

## LGA Board

Mayor Jan – Claire Wisdom (Adelaide Hills Council) along with Mayor Keith Parkes (Alexandrina Council) have represented the Southern and Hills Region at the Local Government Association State Board meetings.

## Resources

The continuation of the capacity building grant from the Local Government Research and Development Scheme has improved the capacity of the Executive Officer that has been applied across a range of Association projects and programs during the year.

Part of the additional capacity has supported the administrative processes and project outcomes around the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, involvement with SAROC, the regional EO group, the regional committees and various reports, submissions and forums throughout the year.

Mr Graeme Martin has provided Executive Officer services to the Association.

Penny Worland has provided under contract, project oversight of the S&HLGA Community Wellbeing Indicators project, ILC Champions for accessible destinations, ILC Champions for accessible communications and a preliminary review of the current S&HLGA Regional Public Health plan in anticipation of a new S&HLGA 2021 Regional Public Health plan as required under legislation.

# 2020-2021 KEY ANNUAL ACTION PLAN

S&HLGA Key Annual Action Plan report for 2020-2021



## KEY CATEGORIES & THEMES

### THE 2017-2021 S&HLGA BUSINESS PLAN

<b>OBJECTIVE</b>
<b>1. To provide leadership and advocacy for Member Councils on regional issues.</b>
<b>2. To market &amp; promote the Southern &amp; Hills Local Government Association</b>
<b>3. To support sustainable economic, environmental and social development in the region</b>
<b>4. To improve infrastructure to meet the community's needs.</b>
<b>5. To strengthen the capacity of the Association to meet its service obligations.</b>

### THE 2020-2021 S&HLGA ANNUAL KEY ACTION PLAN

#### Key themes











**The LGA member's 2019 poll highlighted three major themes- Local Government reform, Waste strategy and Environmental/Climate change issues.**

#### S&HLGA response:

- Managing in a post COVID 19 environment with expected revenue headwinds for member Councils – doing with less!
- The assessment of the history of S&HLGA value proposition demonstrates the high value of regional collaboration
- Be prepared for the “other side” and build in flexibility and nimbleness to respond to post COVID 19 recovery. Focus on the likely infrastructure opportunities via the co-operation with our RDA in refining our regional Infrastructure Priorities list
- Identify those projects and committees which may have to hibernate during 2020-2021. Actively seek external funding.
- Along with Business as usual in the administration area the Key 2020-2021 Action is the project scoping, appointment and production of the 2030 Regional Transport Plan
- Focus on any priority areas which have been on the radar but so far received minor attention. e.g., Waste



Theme	Items & Actions
<b>General Administration (sound financial and compliance management)</b>	Budget, Charter Review, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals.
<b>Projects and support (sustainability and development)</b>	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Community Wellbeing Indicators project, 2030 Regional Transport Plan
<b>Leadership, advocacy and marketing</b>	LG reform, Continue relationship building with Government MPs, Website transition & maintenance, Peri-Urban grouping
<b>Opportunities (capacity and infrastructure)</b>	CWMS, Waste, Regional Infrastructure Plan, External Funding, Regional Development Assessment Panel, Telecommunications and 5G

Theme	Items & Actions	Item	Status	Comment
<b>General Administration (sound financial and compliance management)</b>	Budget, Charter Review, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals, 3 year S&HLGA forward forecast	Budget		2020-2021 Budget adopted June 2020
		Charter review		Awaiting approval April 2021
		Subscriptions & levies		Members invoiced July 2020
		Audit		Completed July-August 2020
		Annual Report		Completed and distributed by 30 September 2020
		LGA Grants		Annual LGA Regional Capacity application submitted and received by 30 Sept 2020
		Website		Transitioned to Squiz. Maintained during 2020-21. Updated March 2021.
<b>Projects and support (sustainability and development)</b>	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Regional Transport Plan	Regional Public Health Plan		Defer new Regional Public Health Plan until 2021-2022. Maintain Committee and conclude Community Wellbeing Indicators project
		Resilient Hills & Coast Climate adaptation Plan		Defer appointment of regional Co-ordinator unless it is externally funded. Maintain Committee and continue to implement the Regional Climate Change adaptation plan.
		Regional Transport Plan		2020-21 SLRP applications submitted and successful. 2021-22 due 28 May 2021. South Coast Freight corridor concept review. New 2030 Transport Plan being developed

Theme	Items & Actions	Item	Status	Comment
<b>Leadership, advocacy and marketing</b>	LGA Peri-Urban Governance review, New Government Policies and LG Reform, Relationship building with State Government MPs,	LGA peri Urban Governance review		Peri-urban regional organisation to be investigated
		LG reform		Continue to work with the LGA/SAOC
		Relationship with MPs		Regularly meeting
<b>Opportunities (capacity and infrastructure)</b>	CWMS, Waste, Regional Infrastructure Plan, External Funding and telecommunications	CWMS		Committee to meet regularly. Liaise with Legatus
		Waste		Liaise with the regional Waste Authorities to co-ordinate the regional strategy around waste management and the circular economy
		Infrastructure Plan		Recent RDA priority project forum/ Committee meeting regularly
		External funding		Project based and WIP. Overabundant species research required. Funding for Climate Change Officer required
		Telecommunications		Seek funding opportunities as presented

Key		Not on track/overdue / yet to commence
		Past due date but some minor action commenced
		Past due date / action commenced and on track
		completed / no further action required

Category	S&HLGA Role	Item	Comment/Description
<b>Administration</b>	Active/Lead	Charter Review	Draft tabled Dec 2020. Draft Charter out with Member Councils for consideration. All Council feedback now received. Estimated completion date now Sept 2021
	Active/Lead	Budget 2020-2021	Endorsed by Board 19/06/2020. 2021-2022 Budget out for information.
	Active/Lead	Key Action 2020-2021	Endorsed by Board 19/06/2020. 2021-2022 Key Action plan out for comment

Category	S&HLGA Role	Item	Comment/Description
	Active/Lead	Regional Capacity grant acquittal 2019-2020	Completed 21/07/2020
	Active/Lead	Audit 2019-2020	Completed 31/08/2020
	Active/Lead	Annual Report 2019-2020	Completed
	Active/Lead	2021-2022 year forward financial forecast	Draft 2021-2022 Budget issued April 2021 for discussion. Engagement plan with member elected bodies on offer. SAG to consider a draft 3 year Budget and funding model.
<b>Projects – Lead/S&amp;HLGA Committee</b>	Active/Lead	Regional Public Health Plan	Ongoing. Committee has recommended a refresh to the Regional Plan due in 2021. Looking for an internal resource to undertake this task
	Active/Lead	Resilient Hills & Coast	On going
	Active/Lead	S&HLGA Advisory Group	Focus to move to 2021-2025 Business Plan, 2021-2022 Budget and Annual Key Action Plan have been discussed and recommended for endorsement at June Board meeting
	Active/Lead	Road Works Party	S&HLGA 2030 Transport Plan in progress with HDS and GTA. EO currently working with LGA on the LGA/Hudson Howell SLRP paper and recommendations
	Active/Influence	CWMS	Legatus Group now leading sector review
<b>Projects – Lead</b>	Active/Lead	Grants Commission methodology review	Ongoing
	Lead/Partner/Influence	Regional LGA Management Group	Regular meeting of the LGA EOs and development of priority projects in conjunction with SAROC
<b>Projects - Partner</b>	Partner/Influence	Coastal Alliance project	Adam Gray appointed as project consultant Jan 2020. Strategic & Business Plans developed. Governance and Funding paper out for discussion. Decision required by S&HLGA Coastal councils re: funding
	Partner/Advocate	Telecommunications	Advocating for regional black spot funding and ready for 5G
	Partner/Influence	Economic Development Officers Forum	RDA lead but focus on Regional Infrastructure plan, Federal stimulus opportunities and Public

Category	S&HLGA Role	Item	Comment/Description
			Transport. Last meeting 17 May 2021
	Partner/Influence	Waste Management Strategy	EO on the Steering Committee. Project completed and with LGA for decision and action
	Partner/Advocate	Northern Freight Bypass	Co-ordinating next phase with RDA. Workshop completed 1 Dec. Ongoing review of the SE Hills Transport Corridor. Two sub committees formed Meetings 23 and 26 March 2021. Report being finalised
	Partner/Influence	Overabundant Species	S&HLGA/LGA/Landscapes Board working on collaborative project for managing Little Corellas
<b>Relationships</b>	Active/Lead/Influence	State MPs/Federal MP	Continue regular catch ups during 2020-2021
	Active/Lead/Influence	Peri –Urban Group	Advocate and seek input from potential expanded Council members into a larger peri – urban Regional Organisation. Meeting convened by Gawler Council August 2019. Information conveyed to Adelaide Plains Mayor Nov 2019 Planned meeting with Barossa in 2021



## Acronyms

AICD.....	Australian Institute of Company Directors
CEO.....	Chief Executive Officer
CWMS.....	Community Wastewater Management Systems
DEW.....	Department of Environment and Water
EO.....	Executive Officer
ESCOSA.....	Essential Services Commission of South Australia
GAROC.....	Greater Adelaide Region of Councils
LGA.....	Local Government Association
MDBA.....	Murray Darling Basin Authority
MOU.....	Memorandum of Understanding
NBN.....	National Broadband Network
NRM.....	Natural Resources Management
OLG.....	Office of Local Government
PIRSA.....	Primary Industries & Regions SA
RH&C.....	Resilient Hills and Coasts Committee
RDA.....	Regional Development Australia
RPHC.....	Regional Public Health Committee
RWP.....	Roads Works Party
SA.....	South Australia
SAROC.....	South Australian Regional Organisation of Councils
S&HLGA.....	Southern and Hills Local Government Association
SLRP.....	Special Local Roads Program

# FINANCIALS

S&HLGA Audited Financial statement for 2020-2021

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## FINANCIAL STATEMENTS

### Statement of Comprehensive Income for the Year Ended 30<sup>th</sup> June 2021

	Notes	2021 \$	2020 \$
<b>Income</b>			
Subscriptions	1.8	91,214	81,214
Operating Grants	2.2	42,151	423,581
Investment Income	1.7	1,258	2,282
Other		39,832	54,478
Total Income		174,455	561,555
<b>Expenditure</b>			
Contractual Services	3	153,741	243,951
Finance Charges		4,036	3,958
Other		202,560	173,850
Total Expenditure		360,338	421,759
<b>Surplus (Deficit) from Operations</b>		<b>(185,882)</b>	<b>139,796</b>

The above Income Statement should be read in conjunction with the accompanying notes

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## Balance Sheet as at 30<sup>th</sup> June 2021

	2021	2020
Notes	\$	\$
<b>Current Assets</b>		
Investments	201,700	376,271
Debtors		10,450
	<hr/>	<hr/>
Total Current Assets	201,700	386,721
	<hr/>	<hr/>
<b>Current Liabilities</b>		
Accounts Payable	0	14,300
GST	(9,912)	(6,179)
PAYG Payable	2,576	2,760
Employee provisions	23,194	4,117
Rounding	(15)	(15)
Superannuation payable	906	906
Wages payable	3,406	3,406
	<hr/>	<hr/>
Total Current Liabilities	20,156	19,295
	<hr/>	<hr/>
<b>Net Current Assets</b>	181,544	367,426
	<hr/>	<hr/>
	<hr/>	<hr/>
<b>Net Assets</b>	181,544	367,426
	<hr/>	<hr/>
<b>Equity</b>		
Accumulated Surplus	181,544	367,426
	<hr/>	<hr/>
<b>Total Equity</b>	181,544	367,426
	<hr/>	<hr/>

The above Balance Sheet should be read in conjunction with the accompanying notes



# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## Statement of Changes in Equity for the Year Ended 30<sup>th</sup> June 2021

	2021	2020
Notes	\$	\$
<b>Accumulated Surplus</b>		
Balance at beginning of period	367,426	227,630
Net Surplus / (Deficit)	(185,882)	139,796
	181,544	367,426
	181,544	367,426
<b>Total Equity</b>	<b>181,544</b>	<b>367,426</b>

The above Statement of Change in Equity should be read in conjunction with the accompanying notes

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2021

	2021	2020
Notes	\$	\$
<b>Cash Flows from Operating Activities</b>		
Receipts	202,013	678,147
Payments	(390,984)	(448,083)
GST Paid (received)	17,179	(33,398)
Finance Costs	(4,037)	(3,958)
Interest Receipts	1,258	2,282
	<hr/>	<hr/>
Net Cash Provided by (Used in) Operating Activities	(174,571)	194,990
<b>Net increase/(decrease) in Cash Held</b>	<b>(174,571)</b>	<b>194,990</b>
	<hr/>	<hr/>
<b>Cash at the beginning of the reporting period</b>	<b>376,271</b>	<b>181,281</b>
	<hr/>	<hr/>
<b>Cash at the end of the reporting period</b>	<b>201,700</b>	<b>376,271</b>
	<hr/>	<hr/>

### Reconciliation of Change in Net Assets to Cash from operating activities

	2021	2020
		\$
Net Surplus	(185,882)	139,796
Decrease / (Increase) in Debtors	10,450	137,225
(Decrease) / Increase in Accounts Payable	860	(2,031)
(Decrease) / Increase in Grants in Advance	-	(80,000)
	<hr/>	<hr/>
<b>Net Cash provided by Operating Activities</b>	<b>(174,571)</b>	<b>194,990</b>
	<hr/>	<hr/>

The above Statement of cash Flows should be read in conjunction with the accompanying notes

## **SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2021**

#### **Note 1 - Significant Accounting Policies**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **1 Basis of Preparation**

##### **1.1 Compliance with Australian Accounting Standards**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, interpretations and relevant South Australian legislation

The Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

##### **1.2 Historical Cost Convention**

Except where stated below, these financial statements have been prepared in accordance with the historical cost convention.

##### **1.3 Critical Accounting Estimates**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this note.

##### **1.4 Rounding**

All amounts in the financial statements have been rounded to the nearest dollar

##### **1.5 Non Current Assets and Non Current Liabilities**

The Association has no non current assets or non current liabilities.

##### **1.6 Employees**

The Association has one employee having converted the EO from contractor to employee in February 2019.

##### **1.7 Investments**

Investments are valued at cost. Interest revenues are recognised as they accrue.

##### **1.8 Subscriptions**

Clause 6 of the Charter of the Association prescribes that subscriptions (not levies) by Constituent Councils are equal.

Constituent Council Subscription 2021	\$13,667
Constituent Council Subscription 2020	\$12,000

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 1.9 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognized when the authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever occurs first.

### 1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

### 1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

## 2 Functions / Activities of the Association

**2.1** Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.

**2.2** The activities of the Association are categorised into the following broad functions:

**Administration:** The operation of the Office of the Association and its decision making forums.

**Special projects:** The research into and implementation of projects prescribed by Acts or regulations or approved by Board decision.

### Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

#### Administration

Year	Revenue				Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue	%	Expenses Total	%	
2021	0	92,472	92,472	53.0%	205,278	56.9%	(112,806)
2020	104,959	120,640	225,599	40.2%	176,808	41.9%	48,791
<b>Projects</b>							
2021	62,251	19,732	81,983	47.0%	155,060	45.4%	(73,077)
2020	318,622	17,334	335,956	59.8%	244,951	58.1%	91,005
<b>Total</b>							
2021	62,251	112,204	174,455	100%	360,338	100%	(185,882)
2020	423,581	137,974	561,555	100%	421,759	100%	139,796



# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

		2021	2020
Consultants:	Jeanette Pope	\$20,400	\$0
	URPS	\$47,496	\$0
	HDS Australia Pty Ltd	\$28,810	\$5,653
	Centre for Inclusive design	\$10,500	\$0
	Seed Consulting	\$0	\$117,182
	Jack Jensen	\$17,500	\$60,222
	Penny Worland Consulting	\$27,455	\$60,894
	ILC Advisors	\$1,580	\$0
<hr/> Totals		\$153,741	\$243,951

### 4. Comparison of Budget and Actual Results

	2021		2020	
	Budget \$	Actual \$	Budget \$	Actual \$
Revenue				
Administration	92,214	92,472	152,914	225,599
Projects	63,910	81,983	20,033	335,956
Total Revenue	156,124	174,455	172,947	561,555
Expenditure				
Administration	184,449	205,278	175,750	176,808
Projects	100,559	155,060	77,400	244,951
Total Expenditure	285,008	360,338	253,150	421,759
Surplus (Deficit)	(128,884)	(185,882)	(80,203)	139,796

## CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern & Hills Local Government Association to certify the financial statements in their final form. In our opinion:

- o the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- o the financial statements present a true and fair view of the Association's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year.
- o internal controls implemented by the Authority provide a reasonable assurance that the Association's financial records are complete, accurate and reliable and were effective throughout the financial year.
- o the financial statements accurately reflect the Association's accounting and other records.

Dated 31<sup>st</sup> August 2021



**Graeme Martin**  
**EXECUTIVE OFFICER**



**Mayor Keith Parkes**  
**PRESIDENT**

## CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2020, the Association's Auditor, HLB Mann Judd, 169 Fullarton Rd, Adelaide, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

Dated 31<sup>st</sup> August 2021



**Graeme Martin**  
**EXECUTIVE OFFICER**



**Mayor Keith Parkes**  
**PRESIDENT**

The Board  
C/- Graeme Martin  
Executive Officer  
Southern & Hills Local Government Association  
13 Ringmer Drive  
Burnside SA 5066

**TO THE BOARD MEMBERS OF SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION**

**STATEMENT OF AUDITORS INDEPENDENCE  
ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2021**

I confirm that, for the audit of the financial statements of Southern & Hills Local Government Association for the year ended 30 June 2021, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(5) Local Government (Financial Management) Regulations 2011.

A stylized blue ink signature of 'HLB Mann Judd'.

**HLB Mann Judd Audit (SA) Pty Ltd  
Chartered Accountants**

Adelaide, South Australia  
31 August 2021

A stylized blue ink signature of 'Jon Colquhoun'.

**Jon Colquhoun  
Director**

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**HLB Mann Judd Audit (SA) Pty. Ltd. ABN: 32 166 337 097**

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## **Independent Auditor's Report to the Members of Southern & Hills Local Government Association**

### **Opinion**

We have audited the financial report of Southern & Hills Local Government Association ("the Association") which comprises the Balance Sheet as at 30 June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Association as at 30 June 2021, and its financial performance and its cash flow for the year then ended in accordance with Australian Accounting Standards.

### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence 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.

### **Responsibilities of Management and Board Members for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Board Members are responsible for overseeing the Association'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 an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Association'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 Association 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 Board Members 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.



**HLB Mann Judd Audit (SA) Pty Ltd**  
**Chartered Accountants**

Adelaide, South Australia  
31 August 2021



**Jon Colquhoun**  
**Director**

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**Southern and Hills Local Government Association  
Independent Assurance Report**

**Qualified Opinion**

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by Southern and Hills Local Government Association ('Association') in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2020 to 30 June 2021 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, in all material respects:

- (a) The controls established by the Association in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- (b) The controls operated effectively as designed throughout the period from 1 July 2020 to 30 June 2021.

**Basis for Qualified Opinion**

The Association sought exemption from the requirement in clause 30 of Schedule 2 of the *Local Government Act 1999*. The Minister granted the exemption on the basis that the Association would periodically review and update its internal controls and encouraged the use of the practical and contemporary guidance material on internal controls issued by the Local Government Association's 'Better Practice Model – Internal Financial Controls'.

The Association's 'Operations Manual – Finance Policy' is available on the Association's website and was last updated in October 2014.

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ASAE 3150 Assurance Engagement on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies

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

**The Associations Responsibility for Internal Control**

The Association is responsible for:

- a) The receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Identifying the control objectives
- c) Identifying the risks that threaten achievement of the control objectives
- d) Designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) Operating effectively the controls as designed throughout the period.

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### **Our Independence and Quality Control**

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 Quality Control for Firms that Performs Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements in undertaking this assurance engagement.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the Local Government Act 1999 in relation only to the internal controls established by the Authority to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Information and ASAE 3150 Assurance Engagements on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the Local Government Act 1999 in relation only to the internal controls specified above for the period 1 July 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

### **Limitations of Controls**

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

### **Limitations of Use**

This report has been prepared for the members of the Authority in Accordance with Section 129 of the Local Government Act 1999 in relation to the Internal Controls Specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Authority, or for any purpose other than which it was prepared.



**HLB Mann Judd Audit (SA) Pty Ltd**  
**Chartered Accountants**

Adelaide, South Australia  
31 August 2021



**Jon Colquhoun**  
**Director**

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