



2013 to 2014
ANNUAL REPORT



The District Council of
Mount Barker

Early 1900s view overlooking Mount Barker

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		Southern & Hills Local Government Association	
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Key Achievements

2013 : 2014

- Strategic Directions Report endorsed
 - Increase in treated wastewater reuse
 - Support for Adelaide Hills Sculpture Symposium
 - Morphett / Hutchinson Street Precinct Upgrade
 - Implementation of Mount Barker Town Centre Strategy
 - GET Proud Graffiti Removal Program partnership
 - Preparation and endorsement of the Economic Development Strategy
 - First stage of Alexandrina Road upgrade commenced
 - Endorsement of the Open Space, Recreation and Public Realm Strategy
 - Strategic Infrastructure Plan for Mount Barker, Littlehampton and Nairne completed
 - Undergrounding of powerlines in a section of the Main Street of Nairne
 - Detailed design completed for the safety upgrade of North Road, Nairne
 - Commencement of Environmental Centre Wetland on Springs Road
 - Revegetation program including along Council Parks and Gardens, Mount Barker Linear Trail, Nairne and Laratinga Wetlands
 - The Better Development Plan and General Development Plan Amendment completed
 - Nairne Retail Study completed and Nairne Township Master Plan implementation commenced
 - Next stage of the Bald Hills Road upgrade undertaken
 - Linear trail extended from the rear of the Mt Barker Homemaker Centre to Alexandrina Road
 - New Park N Ride in Dumas Street completed by State Government in conjunction with Council
 - Funding commitment secured for the new freeway interchange at Bald Hills Road



Vision

Our Vision is for the Mount Barker District to be a community that values its people, rich history and cultural identity and where environmental sustainability is paramount. Our Community will cherish and protect its picturesque and peaceful setting. The economy will thrive with a regional centre at its core and with townships and rural communities that are innovative, vibrant and well connected.

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.



Council Members

Mayor



Ann Ferguson OAM, FAICD, JP

Mayor

- Council's Strategic Planning and Development Policy Committee
- Council's Community Grants Assessment Committee
- Proxy for Council's Audit Committee
- Chairperson of the Southern & Hills LGA
- Local Government Association *State Executive*
- Regional Development Australia *Adelaide Hills, Fleurieu & Kangaroo Island*
- South Australian Region of Councils
- Business Mt Barker

North



Jeff Bettcher

BBus, GDipAcct, FCPA

Councillor

- Council's Strategic Planning and Development Policy Committee
- Council's Audit Committee
- Hahndorf Business & Tourism Association
- Hahndorf Academy Board



Lyn Stokes JP

Councillor

- Council's Strategic Planning and Development Policy Committee
- Council's Development Assessment Panel
- Chairperson of Council's Community Grants Assessment Committee
- Brukunga Hall Committee Inc
- Callington Memorial Oval Committee Inc
- Kanmantoo Callington Community Consultative Committee
- Kanmantoo Grounds Committee Inc
- Littlehampton Peace Memorial Hall Inc
- Adelaide Hills Region Waste Management Authority



Simon Westwood

Deputy Mayor

- Council's Strategic Planning and Development Policy Committee
- Proxy for Adelaide Hills Regional Waste Management Authority
- Hahndorf Community Recreation and Sports Ground Inc
- Proxy for Nairne Oval Committee Inc



Trevor Corbell JP

Councillor

- Council's Community Grants Assessment Committee
- Proxy for Council's Audit Committee
- Council's Development Assessment Panel
- Hahndorf Memorial Institute Management Committee Inc
- Nairne Institute Committee Inc
- Library Management Board
- Nairne Oval Committee Inc

Central



Robert Heath

Councillor

- Council's Strategic Planning and Development Policy Committee
- Mount Barker Community Centre Board of Management



Carol Bailey BEM

Councillor

- Council's Development Assessment Panel
- Adelaide Hills Farmers Market Inc
- Ranges to River Local Government NRM Advisory Group



Lindsey Campbell CSM, JP

Councillor

- Council's Strategic Planning and Development Policy Committee
- Mount Barker Football Club (manage Mt Barker Oval)
- Mount Barker Mens' Shed Steering Committee
- Operation Flinders – Hills Chapter



Susan Hamilton BVC, GDipFA

Councillor

- Council's Strategic Planning and Development Policy Committee
- Council's Community Grants Assessment Committee
- Adelaide Hills Vocational School Board
- Proxy for Hahndorf Academy Board
- Chairperson Library Management Board
- Mount Barker High School Governing Council
- Proxy for Ranges to River Local Government NRM Advisory Group

South



Ian Grosser

Councillor

- Council's Strategic Planning and Development Policy Committee
- Echunga Recreation Grounds Committee Inc
- Meadows Memorial Hall Inc
- Prospect Hill Community Association (manage Prospect Hill Memorial Hall)



Roger Irvine

Councillor

- Council's Development Assessment Panel
- Council's Audit Committee
- Macclesfield Community Association Committee Inc (manage the Macclesfield Institute Hall)
- Macclesfield Recreation Grounds Committee Inc
- Meadows Recreation Grounds Committee Inc

Managing Growth

Council has continued to commit significant resources to the management of growth in both Mount Barker and Nairne with the objective being to seek to maximise opportunities and benefits for our community.

Significant progress has been made with infrastructure planning culminating in the completion of the Mt Barker, Littlehampton and Nairne Strategic Infrastructure Plan by Council and the State Government.

Large scale development applications for land division have been processed. The rate of growth to date is slower than originally forecast by the State Government.

Council has continued to apply the beneficiary pays principle so the infrastructure required by growth is funded by developers, secured over land via separate rates that are automatically postponed until such time as development of the land is undertaken.

Recycled water is proposed to be the primary supply source for the irrigation of new sporting fields and parks.

Significant extension of the existing linear trail network is being supported by developers.

The Nairne Township Master Plan was adopted by Council following community consultation. Implementation of the Master Plan has commenced including projects in the main Street on North Road. Growth in Meadows is being accompanied by infrastructure to service the entire town in the form of a new water treatment plant and an associated network to distribute recycled water for use.



Community Profile and Population

Population growth and residential development

The official resident population of the District Council of Mount Barker was 31,325 in 2013. This is an increase of 438 people on the previous year.

Between the 2006 and 2011 Censuses, the District's population increased by 3,338 people, or 12.6%. This represents an average annual population change of 2.4% per year over the period, more than double the State's growth rate.

In 2013/14 Council approved 388 dwellings and the creation of a further 967 residential allotments. These figures are an increase on the 2012/13 figures (218 dwellings approved), reflecting improved economic conditions and an increase in land development activity in the urban growth areas zoned by the State Government in 2010.

Projections and trends

Council has commissioned an independent population forecast to assist with urban growth management. The forecast indicates the District's population will continue to grow by an average of 2.12% over the next 20 years. This would result in a total population of 38,000 in 2023 and 48,000 in 2033. Almost 75% of this growth is expected to occur in the Mount Barker township.

Council has estimated that when current residential areas are fully developed, the growth towns of Mount Barker, Littlehampton and Nairne will be home to 53,000 people, and the District will reach a population of around 65,000.

The District currently has above average proportions of children and young people, and this is likely to continue as new homes are marketed towards first homebuyers and young families. Families with dependent children make up 45% of all households, compared with 39% in Greater Adelaide.

At the same time, the number of older people in the District is rising as the resident population ages. While there are large numbers of families in the District, average household sizes are declining, meaning fewer people will be living in each dwelling, and there will be more one and two person households.

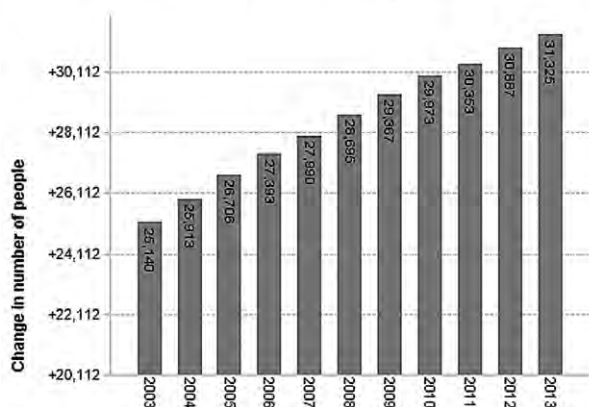
Increase in the over 60s age bracket accounts for 40% of population growth since 2006, partly in response to more 'retirement housing' available in the District.

Characteristics of the population

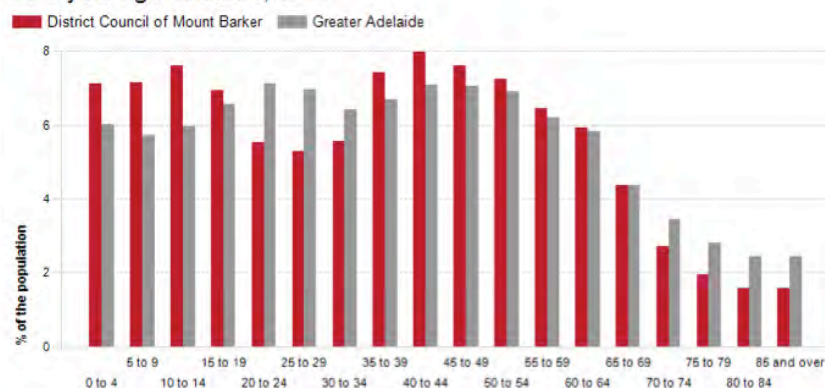
As at the 2011 Census, the District's population has the following characteristics:

- Residents live in 12,178 dwellings with an average household size of 2.6
- The resident population is very mobile, with 38% having moved into or within the District since the 2006 Census
- Single person households make up 21% of the District's households, but the greatest growth since the 2006 Census was in 2 person households.
- A high proportion of houses are being bought (45%) and there are fewer households renting (23%) than for Greater Adelaide.
- Both median mortgage payments and median weekly rent are higher than in Greater Adelaide.
- The median household income is also higher at \$1,254 per week, compared with \$1,106 in Greater Adelaide
- Only 7% of housing is medium or high density, compared to 24% for Greater Adelaide
- The unemployment rate is lower than Greater Adelaide at 4.5% compared with 5.9%
- 47.9% of the population aged 15 and over held educational qualifications, and 44.7% had no qualifications, compared with 44.1% and 46.3% respectively for Greater Adelaide
- Only 4% of the population are from Non-English speaking backgrounds, compared to 15% in Greater Adelaide.
- There is a very high rate of volunteering in the District, with 26% of the population volunteering, compared to 18% for Greater Adelaide.

Estimated Resident Population, District Council of Mount Barker



Five year age structure, 2011



Community Strategic Plan

A number of outcomes and key objectives are identified as important in achieving the Strategic Imperatives. The following highlights some of the activities that have occurred in implementing the Strategic Plan.

Economic Development

Strategic Imperative: Pursue initiatives and opportunities for economic development, regional employment and tourism.

Outcome 1 – New employment opportunities created in the region

What has happened to work towards this outcome?

- Nairne Retail study finalised
- Economic Development Strategy Developed
- Implementing the Mount Barker Town Centre Strategy – including the commencement of the Regional Town Centre DPA and planning for a multi deck car park and office
- Support for the Adelaide Hills Visitor Information Service
- Support for major events (Tour Down Under, Toy Run, All British Day, 2nd Sculpture Symposium)
- In kind support for cultural and tourism institutions, community groups, businesses
- Local art projects
- 175th celebration events
- UNESCO World Heritage project continued

Measuring performance in progressing Economic Development

- Number of jobs 9,172
- 5736 jobs filled by locals
- Council staffing levels (144.75 fte)
- Building value approval \$479.1 million
- 37,000 people attended Council sponsored events
- 40,000 Visitors went through the Visitor Information Centre
- There were 153893 hits to the tourism website

Urban Growth

Strategic Imperative: Provide a sustainable and desirable place to live, work and play through growth management and urban renewal.

Outcome 2 – Innovative and renewed public spaces, civic precincts and urban areas

What has happened to work towards this outcome?

- Morphett Hutchinson Precinct design and construction (Mount Barker)
- Ongoing master planning and stakeholder engagement for the Mount Barker growth area
- Pre lodgement negotiation for large land divisions in the Mount Barker growth area
- Venables street Macclesfield design process

Outcome 3 – The Mount Barker District is a leader in growth area water management

What has happened to work towards this outcome?

- Planning undertaken for the progressive expansion of Council's wastewater infrastructure to service growth
- The Integrated Water Management Regional Development Plan Amendment was finalised
- Recycled water used for industry, horticulture, school ovals, and Council parks and gardens
- De-sludging of Mt Barker treatment plant lagoons commenced
- Upgrading of Mt Barker treatment plant commenced
- Construction of new water treatment at Meadows nearing completion
- Rainwater tank incentive scheme

Community Strategic Plan

Outcome 4 – Transport infrastructure to meet community need

What has happened to work towards this outcome?

- Strategic Infrastructure Plan for Mt Barker, Littlehampton and Nairne completed
- Bald Hills Road, Mount Barker upgrade continued
- Funding secured for new freeway interchange at Bald Hills Road
- Detailed transport planning for urban growth areas
- Morphett Hutchinson intersection and public precinct upgrade
- New Dumas St Mount Barker Park n Ride (State Government)
- Constructed stage 1 of the shared path from the Laratinga Trail to Hurling Drive

Measuring performance in progressing Urban Growth

- 1062 Development applications lodged
- 922 Land use planning consents given
- 1.4 Giga litres treated wastewater reused from the Mount Barker treatment works
- 100% reuse of treated wastewater from the Echunga treatment works
- Increase in length of shared use trail network

Ecological Footprint, Climate Change and Environmental Protection

Strategic Imperative: Provide ecologically sustainable solutions and environmental programs for the benefit of current and future generations.

Outcome 5 – Reduced ecological footprint

What has happened to work towards this outcome?

- Planet Footprint data collection and monitoring
- Sustainable Mount Barker Website ongoing
- 21 Bush for Life sites and review of the Bush for Life program conducted
- Bushcare contract work
- Revegetation program including along the Mount Barker Linear Trail, Nairne and Laratinga Wetland
- Tree management program
- Planning processes identify and protect remnant trees where possible and appropriate
- Laratinga wetland tours and maintenance

Outcome 6 – Reduced greenhouse gas emissions

What has happened to work towards this outcome?

- Monitoring of energy use and identify opportunities for reductions.
- Program to reduce fuel consumption from vehicle fleet
- Purchase of 'eco Asphalt'
- Community education



Community Strategic Plan

Outcome 7 – Reduced water consumption and protection of water dependent ecosystems

What has happened to work towards this outcome?

- Treated wastewater reuse
- Rainwater tank rebates
- Monitoring of water use through subscription to the Planet Footprint service and identifying opportunities for reduction
- Watercourse rehabilitation at sites along Mount Barker, Littlehampton and Hahndorf creeks
- Construction commenced on new Environmental Services Wetlands on Springs Road

Measuring performance in progressing Ecological Footprint, Climate Change and Environmental Protection

- Ecological footprint not measured but relevant data includes waste and greenhouse gas emissions.
- 6125 tonnes of kerbside waste to landfill (increase of 1 tonne from 12/13)
- 2871 tonnes green organics composted (increase of 489 tonnes from 2012/13)
- Overall diversion of waste to landfill increased by 2.42% (47.3% compared to 44.9% in 2012/13)
- 92 Ha native vegetation managed for conservation 21 Bush for Life Sites
- 7500 native species planted
- 18 Laratinga wetland tours

Social Infrastructure

Strategic Imperative: Facilitate the provision of facilities and services to build community capacity and resilience and meet community needs.

Outcome 8 – The Mount Barker District is recognised as being pedestrian and cycle-friendly

What has happened to work towards this outcome?

- Morphett Hutchinson precinct upgrade (see also Urban Growth)
- Constructed stage 1 of the shared path from the Laratinga Trail to Hurling Drive
- Open Space, Recreation and Public Realm Strategy finalised

Outcome 9 – Sport and recreation facilities to meet community need

What has happened to work towards this outcome?

- Planning for key land parcels to accommodate sport and recreation development in the Mount Barker growth area
- Pioneer Park redevelopment
- Open Space, Recreation and Public Realm Strategy finalised

Outcome 10 – Community facilities and programs to meet community need

What has happened to work towards this outcome?

- Regional Public Health Plan commenced (with Southern and Hills LGA councils)
- Activating the Mount Barker Skate Park with activities and events
- Youth activities
- Support of Mt Barker Community Centre
- Introduction of community bus
- Collaborative Support for Acute Environmental & Self Neglect pilot project.
- Hills Community transport (regional)
- Mount Barker Intratown shuttle service
- Home and Community Care, Home Assist, Social Support and Respite programs
- Public Safety programs including animal management, traffic management and parking , outdoor dining and general public safety
- Positive Ageing activities
- Immunisation programs

Measuring performance in progressing Social Infrastructure

- Increase shared use trail network - 500m of linear trail developed
- 15km of road reseals
- 4.2km of footpath constructed
- Mount Barker Intratown shuttle service 997 one-way trips
- 614 Home Assist clients
- 282 Social Options Clients
- 237 Food premises inspections
- 4850 immunisations provided
- 1072 animal related enquiries
- 471 wastewater systems assessed

Community Strategic Plan

Character and Culture

Strategic Imperative: Preserve natural and built heritage and enhance social capital, cultural development and sense of place.

Outcome 11 – A community with a strong identity and cultural awareness that acknowledges and respects the past and present while embracing and influencing the future

What has happened to work towards this outcome?

- Adelaide Hills Aboriginal Services and Community Initiatives forum
- Aboriginal Cultural Heritage Policy
- Reconciliation week and NAIDOC week celebrations
- Support for Hahndorf Academy Foundation
- Support for Adelaide Hills Sculpture Symposium
- Heritage Incentive Scheme

Outcome 12 – The district is a creative cultural centre with vibrant festivals and public places

What has happened to work towards this outcome?

- Sponsored and organised 4 major events including Tour Down Under, All British Day, Macclesfield Gravity Festival and MTA Toy Run and sponsored 50 community events
- Funding for the bi annual International Sculpture Symposium and Sculpture Trail
- Support for SALA and Adelaide fringe festival Events

Outcome 13 – The District's communities are welcoming and connected and new residents are integrated into the community

What has happened to work towards this outcome?

- Library Activities including items borrowed, program activities and implementation of the One Card Network
- Quarterly Council newsletter
- Volunteer programs
- Support for Hills Volunteering
- Major events and community events (see also Economic Development)
- Civic events such as Citizenship ceremonies
- Reconciliation events

Measuring performance in progressing Character and Culture

- 158 active Council volunteers contributing 14,242 hours
- Annual volunteer movie day attended by 1000. Annual survey completed by 1338
- 50 Community events supported (see also Economic Development)
- 432 library activities attended by 22,987 people



Community Strategic Plan

Governance and Leadership

Strategic Imperative: Deliver on the achievement of our strategic imperatives through good governance, strong leadership, effective communication and financial capability.

Outcome 14 – Good governance structures, supporting Council focus on strategic areas

What has happened to work towards this outcome?

- Asset management program – Road Asset Management Plan fully reviewed and updated
- Policies reviewed or adopted
- Finalised Ward boundary review
- Elected member support and training opportunities
- Community development review

Outcome 15 – Organisational capacity for project delivery and effective and efficient services

What has happened to work towards this outcome?

- Regular audits and budget reviews
- External funding including grants received
- Records management continual improvement and upgrades

Outcome 16 – The Council communicates and engages effectively with the community and other stakeholders

What has happened to work towards this outcome?

- Council's community engagement program is ongoing across a number of onground and planning related projects.
- Quarterly Council newsletters
- Project specific website and onsite information
- Growth area community forums and landowners breakfasts
- Community forums regarding Meadows Wastewater
- Community forums regarding Nairne Masterplan

Measuring performance in progressing Governance and Leadership

- 120,970 records added to the system



Annual Business Plan

Annual Business Plan Reporting

Fifty five (55) or 75% of the performance measures were achieved. Progress was made towards nineteen (19) measures and one (1) was not commenced.

CUSTOMER SERVICES

Objective:

To review, influence, drive, through facilitation and partnerships, outcomes that increase vibrancy, health, wellbeing of our communities.

Enrich the lives of residents through the delivery of quality library, cultural, family community, event services and programs.

Ensure customer service is provided in accordance with the Customer Service Charter.

Performance Measure	Outcome
Reduction in repeated requests for service requiring action by the Manager of Customer Service	Commenced data collection to identify extent of repeated requests.
70% of agreed actions from community development review; communication review, tourism and events review completed	Community development review 1st stage outcomes to be utilised in communication review, tourism and events review completed Communications Officer Role review commenced. Internal customer service implemented and finalised. Event budget review finalised during 2014/15 annual business plan process. Events rationalised.
50% of project initiatives and guidelines adopted from the strategy for web, social media and mobile technologies	Website review commenced and will be finalised in 1st quarter 2014/15.
Complete a review of the customer request management system	Commenced with initial results planned for 1st quarter 2014/15.
Strategic plan for cultural assets developed and funding applied for	Not commenced.
Increase HACC service delivery by 10% with external funding within existing Council resources	Additional external funding was secured from Federal Government to expand domestic assistance and social support which commenced 1 April 2014. This will enable Council to increase HACC service delivery by more than 10%.
80% of agreed priorities from Adelaide Hills Tourism Strategic Plan delivered	Achieved. Adelaide Hills Regional Strategic Plan reviewed.

LIBRARY

Performance Measure	Outcome
Strategic and financial options developed for Mt Barker Community Library	Awaiting response from new Minister for Higher Education on Joint Use Agreement Negotiation.

Annual Business Plan

FIELD SERVICES

Objective:

To provide an efficient and effective workforce that delivers excellent customer service in maintaining and improving the District's public infrastructure and services including;

- community buildings
- sporting grounds
- parks and recreation areas
- transport & footway corridors
- cemeteries
- waste management
- fire prevention

To improve and maintain the transport infrastructure and the connectivity of the footpath network in the District.

To reduce waste to landfill in line with South Australia's State Waste Strategy.

To prioritise condition and use of community assets and maintain community support for programs.

To develop a 3 year program for building and recreation assets based on priorities.

Performance Measure	Outcome
Waste Kerbside: • Reduce the amount of waste to landfill	The kerbside waste disposed to landfill in 2013/14 was 6,125 tonne, compared to 6,124 tonne in 2012/2013. The total number of households within the Council area increased by 225 households, which resulted in a reduction of waste to landfill of 0.15 kg/hh/week. The tonnes of waste to landfill has remained steady over the last two years, and the annual increase in waste disposed to landfill has dropped from 3.24% increase between 2010/11 and 2011/12 to 0.02% increase between 2012/13 and 2013/14.
• Maintain diversion levels of waste from landfill	Total tonnes recycled increased by 22 tonnes, with 2,633 tonnes of recycling being collected in 2013/14, compared to 2,611 tonnes in 2012/13. Total tonnes of green organics composted increased by 489 tonnes, with 2,871 tonnes of green organics being collected in 2013/14, compared to 2,382 tonnes in 2012/13. Overall diversion of waste from landfill increased by 2.42%, with diversion being 47.3% in 2013/14 compared to 44.9% in 2012/13.
• Create Regional criteria for the tender assessment	The regional tender documents have been prepared and the waste collection contract has been extended by 6 months to enable sufficient time to assess the tenders and select a preferred service provider.
Transfer Station • Maintaining the cost level of the Transfer Station • Identify waste streams and improve reporting systems (as required by the EPA)	The cost of running the transfer station has been maintained. A new receipting system at the Transfer Station has enabled consistent charging and recording of materials being disposed of via the site. Additional recyclable items, such as plastics are now being diverted from landfill.

Annual Business Plan

Performance Measure	Outcome
Community Education <ul style="list-style-type: none"> Assist in achieving the kerbside waste performance measures 	<p>A community education program was undertaken with the food scraps composting program. An updated waste and recycling calendar has been provided. The calendar includes some education information. A KESAB grant has been submitted to provide recycling bins at community events, which if approved will assist with educating the community to recycle while at events.</p>
Horticulture <ul style="list-style-type: none"> Compare water usage used for irrigation from 2012/13 to 2013/14. Identify total new street trees and playgrounds, and square metres of new open space added to maintenance schedules. 	<p>There has been a 2% decrease.</p> <p>Street Trees: 160 Playgrounds: <ul style="list-style-type: none"> Summit Estate Woodgate Reserve New Open Space: <ul style="list-style-type: none"> Fox Hill Estate Nairne – 17500 sq/m Summit Estate – 21000 sq/m. </p>
<ul style="list-style-type: none"> Develop five year program for identified rural roadside reserves that require corridor pruning. 	<p>Five year program developed and road attended to additional to that program:</p> <ul style="list-style-type: none"> Tischer Rd, Hahndorf Paech Rd, Wistow Shady Grove Rd, Macclesfield Archer Hill Rd, Wistow Razor Back Rd, Meadows Little Dublin Rd, Mt Barker Bald Hills Rd, Mt Barker (Part) Gould Road, Mt Barker (Part) Wellington Rd from shop at Wistow to Klenke Rd Kavanagh Rd, Echunga <p>The very detailed holistic vegetation management specification tender for 2013/14 roads completed.</p>
Civil <ul style="list-style-type: none"> Comply with customer request management system response times and complete 80% of the repairs defects and hazards identified 	<p>Achieved</p>
<ul style="list-style-type: none"> Complete the annual line marking program. 	<p>Achieved</p>
<ul style="list-style-type: none"> Maintain clear streets, footpaths as part of street sweeping program 	<p>Achieved</p>
Fire Prevention <ul style="list-style-type: none"> Identify the number of non-compliant properties within the District Identify 30% of completed kilometres of rural roads sprayed / slashed in comparison to overall kilometres within the district. 	<p>452 first notice issued 8 non-compliant properties</p> <p>Completed</p>
Community Assets <ul style="list-style-type: none"> Management agreements in place with each incorporated association by June 2014 Identified prioritised projects for 3 year operating and renewal projects Council contributions and funding levels agreed between community groups and Council 	<p>Not completed. Met with 24 associations and 10 have been signed.</p> <p>Completed</p> <p>Completed</p>

Annual Business Plan

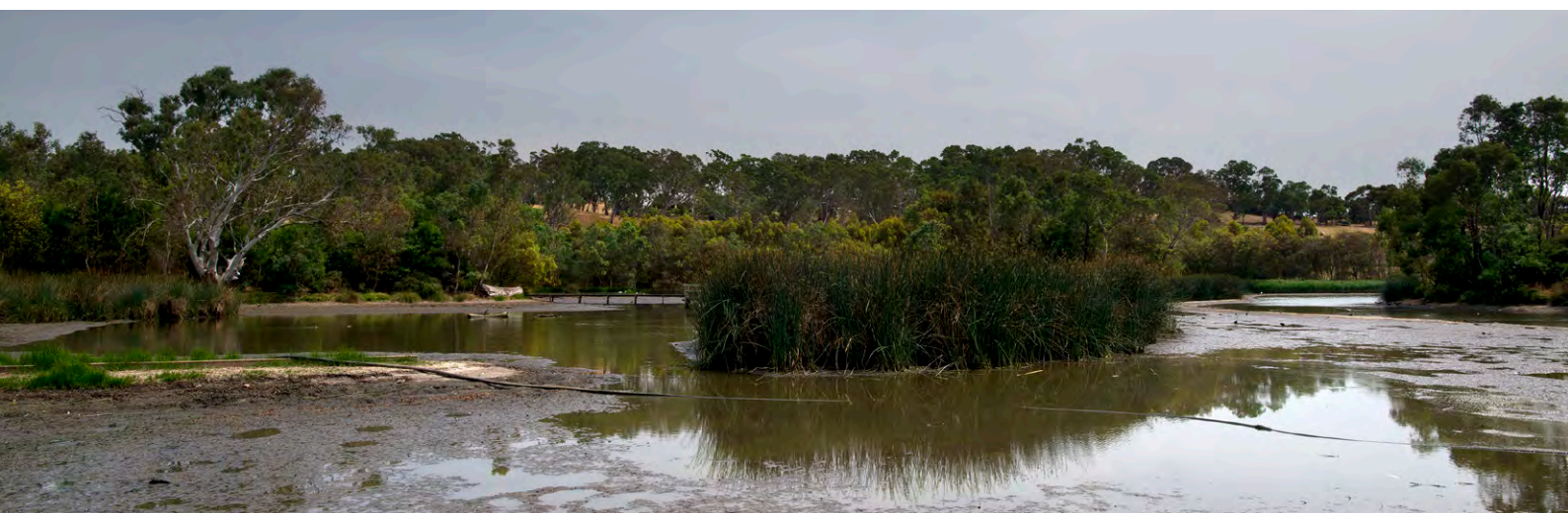
PLANNING AND ENVIRONMENTAL SERVICES

Environmental Services

Objective:

To deliver open space and environmental outcomes across the District and in association with Council facilities and infrastructure.

Performance Measure	Outcome
Increase participation in environmental services events by 10%	Achieved: 110 attendees environmental awards 25 participants x 6 events – Laratinga Volunteer Group Schools tours – 388 students total Community tour – 15 community members Revegetation sessions for 1 school group, 2 community groups, 1 landcare group comprising 143 people. Clean up Australia day – 24 participants 2 community environmental events with more than 700 participants
3 environmental services newsletters per year	Only 1 newsletter produced in 2014.
Seedlings planted with success rate of 70% of seedling survival	80% success rate
Energy audit completed	Energy audit of Local Government Centre and CWMS Plant completed. Ongoing service provided by Planet Footprint. Joined the LGA Emission Pilot Program.
Community education strategy on water use developed	Education on water use provided by dedicated sustainability website. Educational articles included in the 'Environment Matters' publication. Water quality interpretive signage installed at Laratinga Wetland.
Deliver agreed activities within the Roadside Management Plan	Roadside Vegetation Management Plan actions ongoing.
Review of Bush for Life Program and Bushcare conducted	Review tour scheduled conducted and program continues to be supported.
Develop and apply landscaping guidelines	A number of draft guidelines have been developed with additional guidelines identified and in progress.



Annual Business Plan

POLICY PLANNING

Objective:

To undertake strategic planning that enables Council to respond to emerging issues and trends and manage growth.

To undertake duties and functions as required under the Development Act 1993 & Local Government Act 1999 and associated strategic and policy planning.

Performance Measure:

Establishing the reporting and monitoring program for the Strategic Plan	Strategic Plan report presented to Council in April. New Strategic Planning process proposed for 2015 with timeframes provided in the second half of 2014.
Initiate a prioritised DPA program	<p>The Minister was provided with the following to endorse for consultation:</p> <ul style="list-style-type: none"> • Draft Rural DPA • Statement of Intent for Nairne <p>The Urban Structure DPA Statement of Intent (SOI) was provided to SPDPC committee.</p> <p>The Privately Funded DPA Policy and Aboriginal Heritage Policy and Procedures were endorsed by Council.</p> <p>Council has considered supporting investigation for an employment lands DPA at Totness. This was originally a policy consideration of the Urban Structure and Design DPA.</p>
Selected and prioritised projects from theme plans (eg Town Centre Strategy, Open Space and Public Realm Strategy, Recreation Plan, Community Plan) input into 3-5 year corporate planning processes	<p>Ongoing implementation of the Regional Town Centre Strategy. Morphett / Hutchinson Precinct work has commenced and Stage 2 nearly complete.</p> <p>Economic Development Strategy endorsed.</p> <p>Open Space and Public Realm Strategy endorsed.</p> <p>Selected Open Space and Recreation projects delivered in accordance with priorities.</p>
Council objectives communicated to developers pre-lodgement via urban growth master planning Complete Town Centre DPA, commence Nairne & Environs DPA, commence Urban Structure and Urban Design DPA, initiate District Wide Heritage Corrections DPA	<p>Continued liaison with developers pre-lodgement.</p> <p>The Strategic Infrastructure Plan for Mt Barker, Littlehampton & Nairne endorsed by Council.</p> <p>The working draft Masterplan for Mt Barker Growth Areas is being regularly updated and communicated to key stakeholders.</p> <p>DPA's were progressed in accordance with endorsed Strategic Directions report as resources allow.</p> <p>Approval received from the Minister of the Town Centre DPA Statement of Intent.</p>
Evaluation of World Heritage Listing project	Committed to first stage of World Heritage listing project. A MOU has been agreed with 4 Councils and governance arrangements put in place. Advisory groups established. Annual report was presented to Council in May. Several events and media has provided significant momentum for the project. MOU and Terms of Reference endorsed by Council.
Timely provision of submissions to internal customer and external agencies in response to proposed legislative and strategic policy changes and issues	A summary of key issues was presented to the Expert Panel on Planning reform.

Annual Business Plan

DEVELOPMENT SERVICES

Objective:

To provide a statutory assessment service related to the development and associated building applications.

Performance Measure	Outcome
Achieve or exceed the LGA benchmark for development applications assessed within statutory timeframe	1529 – assessed 1185 – in time 344 – over time
Compliance with building inspection regulations frequency	636 inspections 28 inconsistent
100% of known breaches of the Development Act investigated	Achieved

HEALTH AND PUBLIC SAFETY

Objective:

To encourage and facilitate the creation of a sustainable environment that supports public health and healthy lifestyles through the enactment of the provisions of various legislation.

To comply with legislation that requires Council to be responsible for the enforcement of parking control to ensure the safety and convenience of pedestrians and motorists.

To manage compliance with Council's outdoor dining policy and ensure the use of Council roads and land is appropriate.

To promote and facilitate responsible ownership of dogs and cats and respond to animal management issues when they arise.

Performance Measure	Outcome
Environmental Health	
• 100% inspection of food premises in accordance with risk schedule	Inspections performed in accordance with risk schedule.
Council Resources	
• Respond to changes to Public Health Act as required (potential increase in Council resources for service delivery)	In conjunction with other regional councils in the Southern & Hills Local Government area are working on a Regional Public Health Plan – due to be completed by January 2015.
• 100% of health premises inspected (piercing, tattooists, public pools) according to the schedule.	Swimming pools inspected when open during Spring & Summer. Tattoo parlours also inspected according to the schedule.
• Respond to CRM related to public health complaints within the allocated timeframe	Achieved
• Inspection 100% of waste control applications	470 waste control applications assessed 628 inspections
• Report annually to SA Health regarding activities undertaken under the Food Act 2001	Achieved

Annual Business Plan

Performance Measure	Outcome
Public Safety	
• Reach consensus for the location of the dog off-leash park as determined by the Open Space Plan	Proposed dog park is to be located on Electranet land located off Zanker Drive Mt Barker.
• Subsidised microchipping day held annually	Achieved – 31 August 2013.
• Monitor private parking areas as per contract (at least twice per week)	Achieved
• Complete risk rating of school parking patrols	Partially achieved. Information has been collected but yet to rate each school according to risk. All schools patrolled in regarding to parking issues.
• Produce and send annual reminder for dog registration	Achieved – July 2013
• 100% of premises providing outdoor dining to be registered	Not achieved. Expiations issued to 4 premises that did not have a permit.
• Council infrastructure is maintained and reimbursement for damage sought where necessary	Regular monitoring of developer and contractor activity has occurred.

PROJECTS

Objective:

To scope, design and deliver major capital projects to optimise value for the community.

To ensure gifted infrastructure is designed and delivered to community expectations in line with standards and requirements.

Performance Measure	Outcome
80% of capital projects completed within the approved construction budget (including contingency)	Achieved
80% of budgeted construction projects substantially completed by 30 June 2014.	52% only due to weather delays & third party approval delays
Complete service level agreements between Engineering and Planning by 30 September 2013	Completed

Annual Business Plan

WASTE WATER / WATER MANAGEMENT

Objective:

To provide cost effective and timely wastewater and stormwater collection, treatment and disposal options with a minimal ecological footprint.

Performance Measure	Outcome
Target of 100% of properties in the growth areas to be provided with Wastewater / sewer connection	The majority of properties within the district that are serviced by wastewater are connected. Any identified as not being connected are addressed by Council's Environmental Health Team and instructed to connect.
Reduce time expended on call-outs to pump stations with improved reliability & telemetry	Improved telemetry and maintenance has reduced the number of call-outs to pump stations, particularly after-hours.
Maintain volume of wastewater treated minimum to 3.5 ML/day	Achieved. Upgrades to various treatment components have assisted in achieving this target.
Increase sales of treated (recycled) water in accordance with growth of District by 2% per annum	Achieved. Increased supply to Hillgrove Mine has delivered a minimum increase of 2%.
Reduce annual cost of septic tank pump out by improved management of sludges within the District	Ongoing use of cost effective disposal sites ensured compliance with this performance measure.
Reduce kilowatt hours per megalitre of wastewater collected, treated and disposed	Pump upgrades with energy efficient pumps have reduced the average power consumed. Investigations continue into new innovative technologies to ensure reductions continue to be achieved.
Reduction in discharge to Mt Barker & Nairne creeks and eliminate where possible	Achieved. Discharge has been 40 mega litres compared to previous years which were as much as 299 mega litres.
Prioritise and begin implementation of the proposed stormwater infrastructure upgrades	\$300,000 of minor capital works implemented this year to improve stormwater management and reduce flooding risk.

RISK & GOVERNANCE

Objective:

To ensure good governance is applied within the organisation and that legislative requirements are complied with.

Performance Measure	Outcome
Action Plan developed from Risk Management Review	Completed
High Risks provided to CGG and Audit Committee	High risks provided on a quarterly basis and mitigating strategies put in place.

Annual Business Plan

RATES

Objective:

To levy and collect the rates and charges function in accordance with legislation.

To provide a high level of customer service to ratepayers and the general public.

To provide a high level of organisational services and knowledge relating to Records and Information Management (RIM)

Performance Measure	Outcome
Overdue rates reduced to 4% of total rates	Achieved 3.69%

ASSET RENEWAL

Deliver 100% of the budgeted capital works program for Asset **renewal**.

Building and Recreation – 46%
Roads – 99%
Footpaths – 52%
Bridges and Culverts – 0%
Community Wastewater Systems – 93%
Plant And Equipment – 100%

Deliver 100% of the capital works program **new** assets.

Building and Recreation – 17%
Roads – 91%
Footpaths – 89%
Bridges and Culverts – 100%
Community Wastewater Systems – 74%
Drainage – 34%



Decision Making Structure of Council

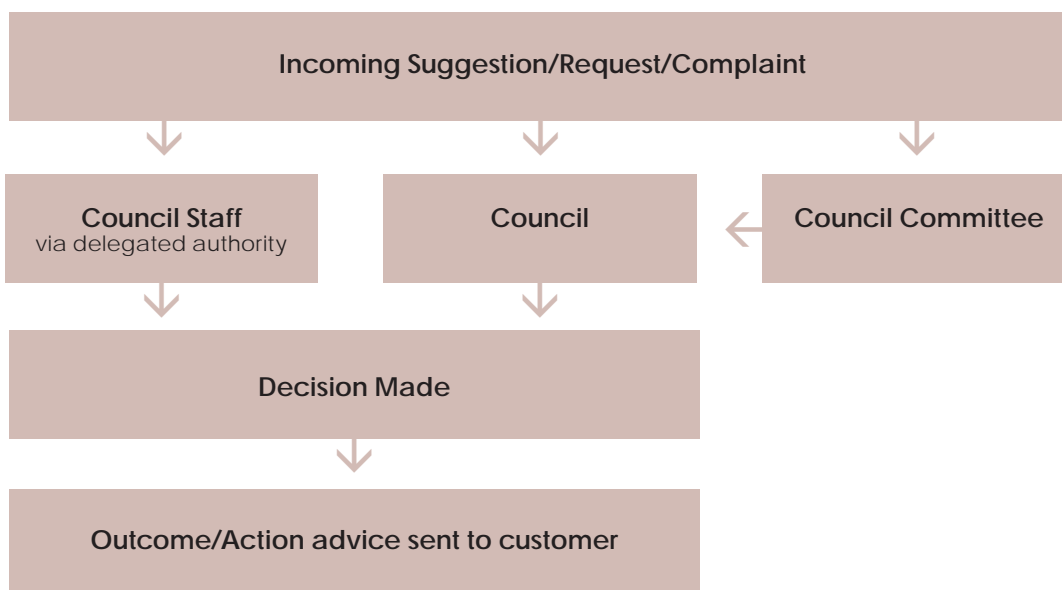
Decisions are made through either Council meetings, Committee meetings or by staff through delegated authority. In 2013/14 Council's decision making structure comprised:

- Council meetings which are held on the 1st and 3rd Monday of every month
- Strategic Planning and Development Policy Committee meetings which are held on the second Monday of the month or when required.
- Audit Committee meetings which are held at least four times per year
- Community Grants Assessment Committee meetings which are held at least once per year
- Development Assessment Panel meetings are held every third Wednesday or when required.

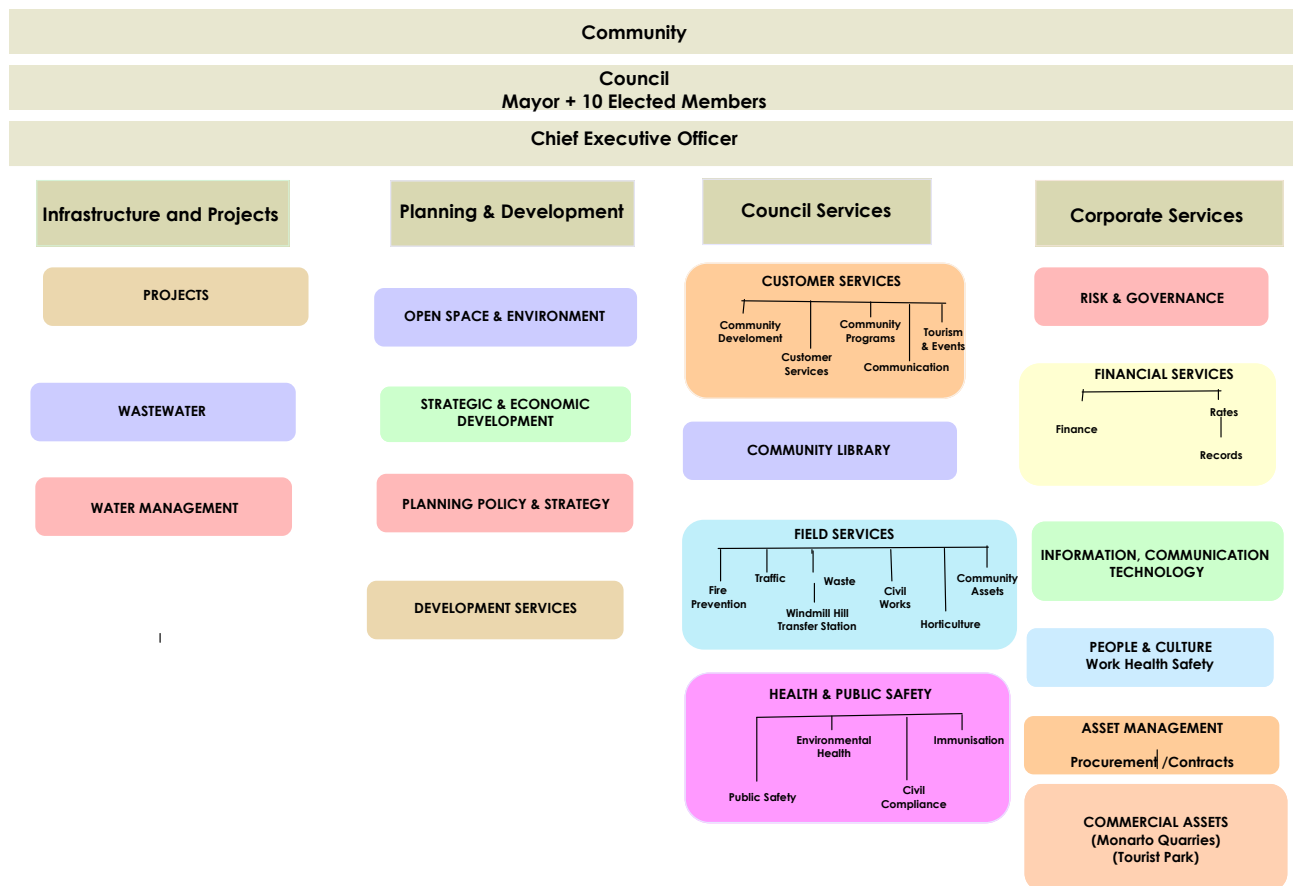
All these meetings are open to the public. Notice of meetings, agenda with reports and attachments and minutes are available from the Local Government Centre and on Council's website. A limited number of hard copies are provided at the meeting.

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.

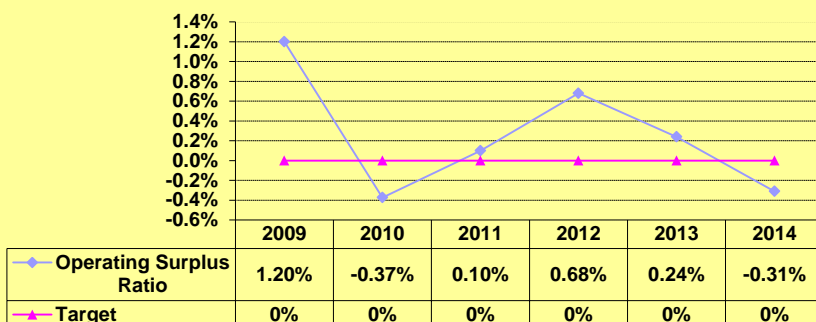


Organisational chart



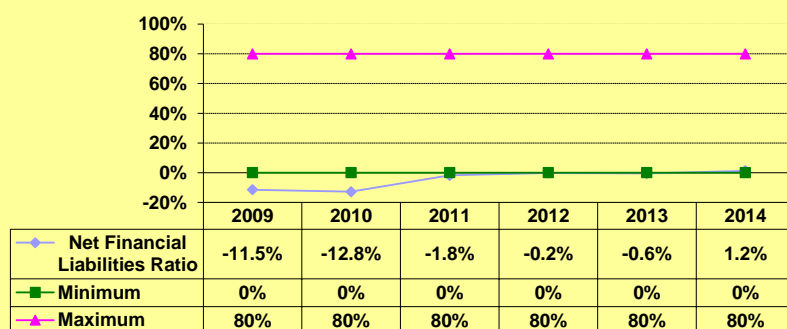
Financial Indicators

Operating Surplus Ratio



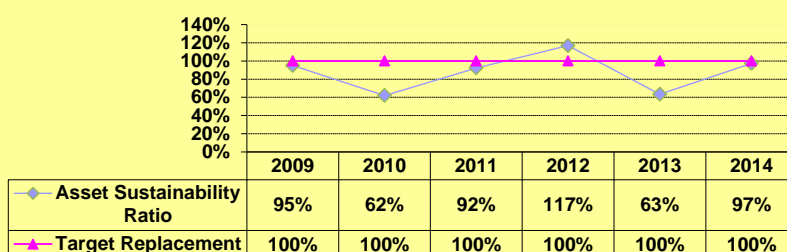
A positive ratio indicates the percentage of total rates available to fund capital expenditure over and above the level of depreciation expense without increasing Council's level of net financial liabilities. If this amount is not required for capital expenditure it reduces the level of net financial liabilities.

Net Financial Liabilities Ratio



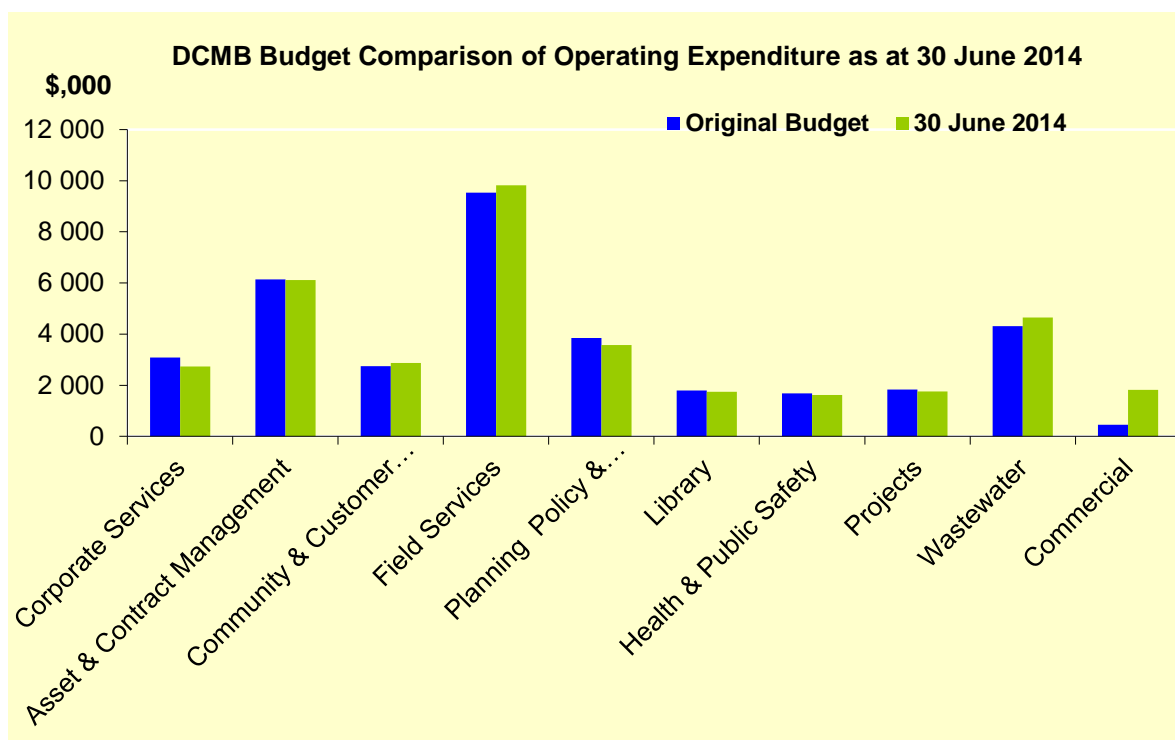
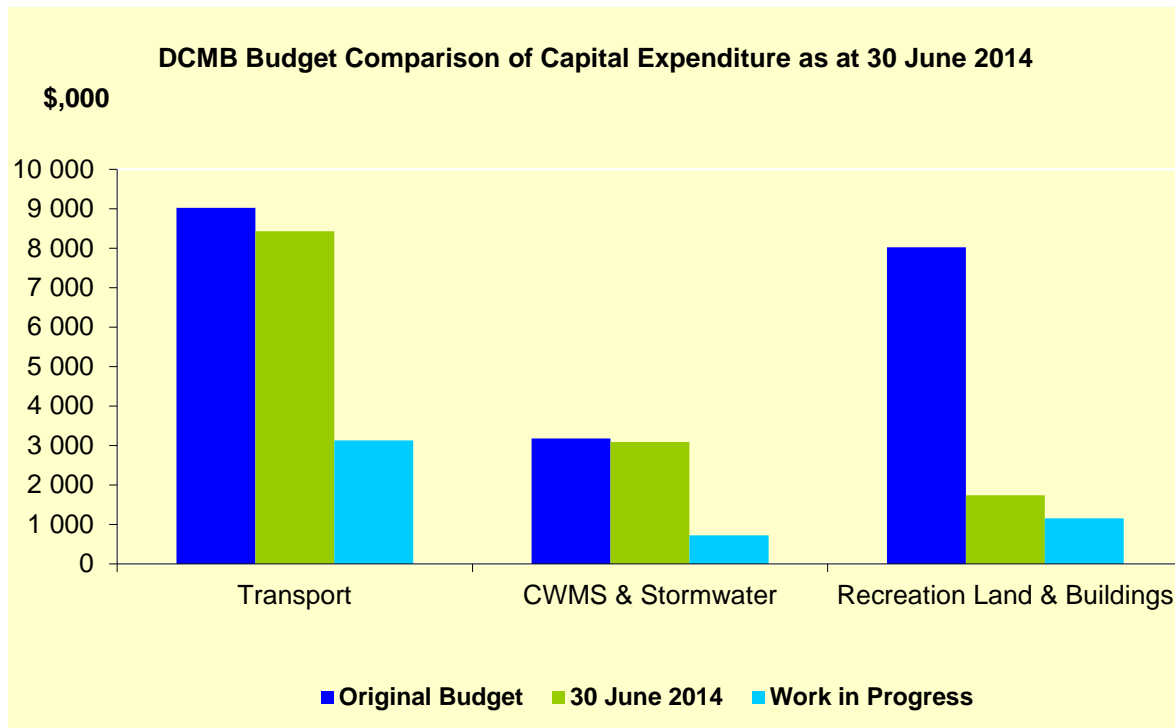
Net financial liabilities measures a Council's total indebtedness. Net financial liabilities is a broader measure than net debt as it includes all of a Council's obligations including provisions for employee entitlements and creditors. DCMB Long Term Financial Plan Objective – the level of net financial liabilities is no greater than a maximum of 100% of rate revenue and no less than zero.

Asset Sustainability Ratio

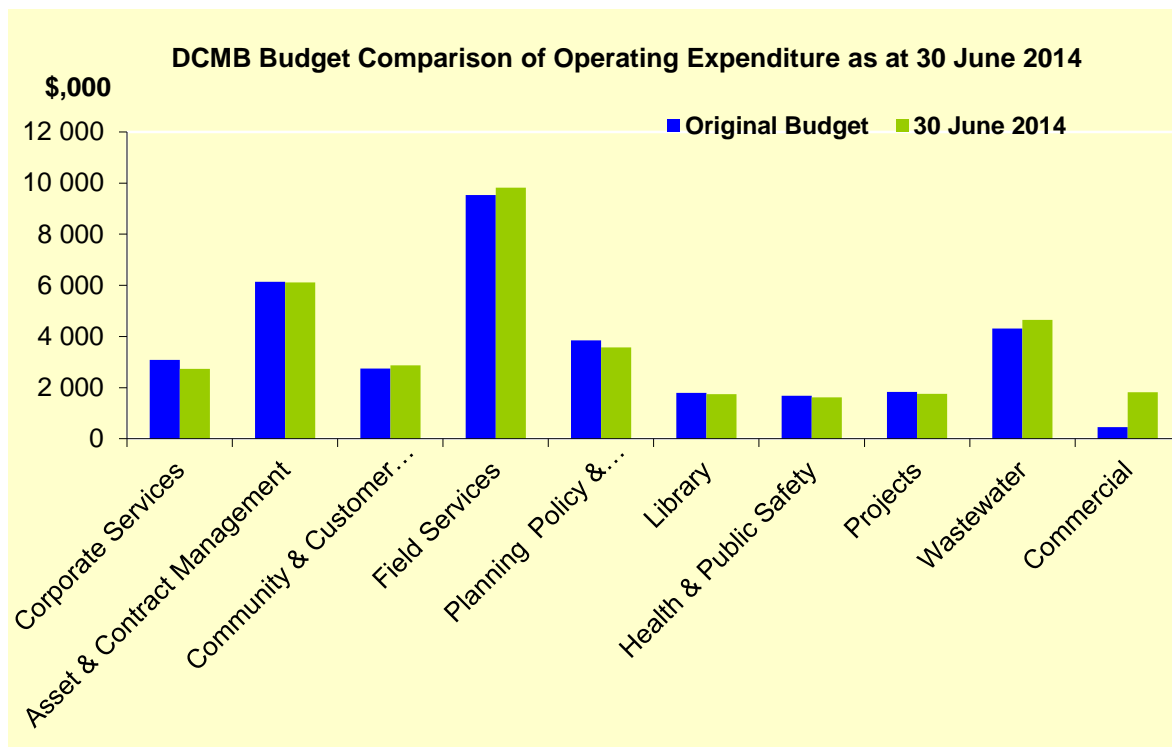


The Asset Sustainability Ratio indicates the extent to which existing non-financial assets are being renewed and replaced, compared with what is needed to cost-effectively maintain service levels. It is calculated by measuring capital expenditure on renewal or replacement of assets, relative to the optimal level of such expenditure proposed in a Council's infrastructure and asset management plan.

Financial Indicators



Financial Indicators



Governance

POLICIES REVIEWED OR ENDORSED

- Aboriginal Heritage Policy and Procedure
- Building Inspection Policy
- Caretaker Policy
- Code of Practice (Access to Meetings and Documents)
- Code of Practice for Meeting Procedures Policy
- Community Consultation Policy
- Community Gardens Policy
- Control of Election Signs Policy
- Council Members' Access to Information Policy
- Council Members' Induction Policy
- Council Members Training and Development Procedure
- Development Act Delegations Policy
- Disposal of Council Land and other Assets Policy
- Driveway Crossover Stormwater Policy
- Funding Policy
- MDPA Lands Separate Rate Policy
- Privately Funded DPA Policy
- Septic Tank Desludge Program Policy
- Whistleblowers Policy

LIST OF REGISTERS

- Register of Interest
- Register of Allowances and Benefits
- Register of Remuneration, Salaries and Benefits
- Register of Community Land
- Register of Public Roads
- Register of By-Laws
- Register of Delegations
- Register of Fees and Charges
- Register of Campaign Donations
- Register of Gifts and Benefits to Council Members
- Register of Gifts and Benefits to Employees

LIST OF CODES

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

- Code of Conduct for Council Members (prescribed by Regulation)
- Code of Conduct for Council Employees (prescribed by Regulation)
- Code of Practice – Access to Council Meetings, Committees and Documents

COMMUNITY LAND MANAGEMENT PLANS

The following specific community land management plans have been partially completed and will be finalised in 2014/15:

- Stone Reserve Macclesfield
- Mawson Road, Meadows
- Nottage Hill, Meadows
- Laratinga Reserve
- Anembo Park (Watercourse/Riparian Zone only)

REPRESENTATION QUOTA

The table below shows a grouping of similar Councils in South Australia using the Australian Classification of Local Governments. The Council's below fit in the classification of Urban Regional Small.

Council	Electors	Council Members (including Mayor)	Representation Quota
Coober Pedy	1,106	9	122
Mount Barker	21,048	11	1,913
Mount Gambier	18,034	11	1,639
Port Augusta	9,093	10	909
Port Lincoln	9,766	11	887
Whyalla	14,509	10	1,450
Roxby Downs*			

Source: Electoral Commission of South Australia – 28 February 2014
 * Roxby Downs does not have an elected Council

FREEDOM OF INFORMATION REQUESTS

Council received seven (7) Freedom of Information Requests during this period.



Governance

INTERNAL REVIEWS OF A COUNCIL DECISION

In 2013/14 two (2) Internal Reviews received the previous financial year were concluded. One additional request was received and concluded.

The reviews concluded were:

1) A complaint was received regarding the amount of time Council took to assess a development application for a community title. This review was conducted by Norman Waterhouse Lawyers:

- The complainant believed that a Section 51 should have been issued earlier in the process. The complainant found it difficult to make appointments with staff and believed inconsistent information was provided.

Outcome:

- Council formed a group of Senior Planners to review and decide the outcome of complex development applications;
- The content of staff training was reviewed and further training committed to;
- Standard operating procedures were developed for handling over development applications between staff;
- Relevant staff and their supervisors were counselled over provision of contentious information to customers

2) A complaint was received regarding the development approval process of a neighbour's property – which is the same property as identified in (1) above. The complainant also believed the drainage involved had impacted their own property. This review was conducted by Prime Planning.

Outcome:

- As per (1) above.

3) A complaint was received regarding Council's refusal to provide a rate rebate for costs incurred in running a septic tank pump.

Outcome:

The reviewer agreed with the original decision.

OMBUDSMAN'S INVESTIGATIONS

The Ombudsman conducted three (3) investigations during this period in relation to:

1) The topics of the Internal Reviews (1) & (2) above.

The investigation had not concluded by 30 June 2014.

2) The use of confidential orders in Council reports.

The Ombudsman concluded that the Council did not act in a manner that was unreasonable within the meaning of section 94 of the Local Government Act.

3) The employment process followed in relation to the employment of an administrative officer.

Outcome:

- The Enterprise Bargaining Committee were notified of the Ombudsman's views;
- Council's employment policies and procedures were reviewed and improved to ensure they met higher standards.

CODE OF CONDUCT – COUNCIL MEMBERS' INVESTIGATIONS

There were two (2) Code of Conduct reports in relation to Council Members this financial year.

Council Member Meeting Attendance at Council Meetings

Between July 2013 – June 2014 Council had 27 meetings

Council Member	Attendance
Mayor Ann Ferguson	26
Cr Roger Irvine	27
Cr Jeff Bettcher	27
Cr Carol Bailey	26
Cr Simon Westwood	26
Cr Susan Hamilton	26
Cr Lyn Stokes	24
Cr Ian Grosser	24
Cr Lindsay Campbell	21
Cr Robert Heath	21
Cr Trevor Corbell	20

Council and Committee Member Allowances and Benefits

In 2013/14 the Mayor's allowances was \$61,542, the Deputy Mayor's allowance was \$19,232 and the Councillors' allowance was \$15,386.

Auditor's Remuneration

Council Auditor for 2013/14 was BDO. Remuneration paid for the annual audit of Council's financial statement was \$19,800.

Executive Officers Salaries/Benefits

Chief Executive Officer	\$ 221,743
3 General Managers	\$138,832 - \$165,613

Additionally superannuation, a mobile phone, a laptop/ipad and private use of a vehicle are provided.

Governance

CONFIDENTIAL ITEMS

Confidential Items – Council Meetings

1. During 2013/14 the Council made 11 confidential orders representing 6% of Council reports:

Orders 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
19 August 13	Breach of Code of Conduct	No
4 November 13	Chief Executive Officer's Review	Yes but was released at the following meeting
20 January 2014	Independent Members for Strategic Planning Development Policy Committee	Yes for Att 2 only

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; and
- (ii) would, on balance, be contrary to the public interest;

		Section 91(7) Order
2 September 2013	Future of Strategic Land Parcels and Associated Matters	Yes
16 September 2013	Disposal of Council Land	Yes
7 April 2014	Land Acquisition Opportunity	Yes
26 May 2014	Land Acquisition Opportunity	Yes
23 June 2014	Multi-Deck Car Park & Council Office Accommodation	Yes
23 June 2014	Strategic Land Acquisition Opportunity	Yes

Orders made under 90(3)(d)

d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
- (ii) would, on balance, be contrary to the public interest;

		Section 91(7) Order
16 December 2013	Outcome of First Stage Office and Multilevel Carpark EOI	Yes

Orders made under 90(3)(i)

(i) information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council.

		Section 91(7) Order
16 December 2013	Adelaide Hills Region Waste Management Authority	Yes

Governance

2. 10 items expired, ceased to apply or were revoked during the financial year as listed below:

Date	Subject
20/10/08	Ombudsman's Report – Redacted components only remain confidential
15/12/08	Ombudsman's Report – Redacted components only remain confidential
15/6/09	Ombudsman's Report – Redacted components only remain confidential
17/8/09	Code of Conduct – Council Member 2009 – all released June 2013
3/12/12	Adelaide Hills Region Waste Management Authority – minute released June 13
2/9/13	Future of Strategic Land Parcel & Associated Matters – released 18 September 13
16/9/13	Disposal of Council Land – released 28 October 13
4/11/13	Chief Executive Officer Review – released 18 November 13
16/12/13	Adelaide Hills Region Waste Management Authority – minutes released 21 Dec 13
20/1/14	Independent Members for the Strategic Planning & Development Policy Committee – all except Attachment 2 released

3. There are 15 confidential items that remained operative or part operative at the end of the financial year as listed below:

Date	Topic
20/2/12	Monarto Quarries Expression of Interest
19/3/12	Monarto Quarries Expression of Interest
2/10/12	Monarto Quarries Expression of Interest
3/12/12	AHRWMA
15/4/13	Land Acquisition
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
20/1/14	Independent Members for Strategic Planning Development Policy Committee
7/4/14	Land Acquisition Opportunity
26/5/14	Land Acquisition Opportunity
23/6/14	Multi-Deck Car Park & Council Office Accommodation
23/6/14	Strategic Land Acquisition Opportunity

Audit Committee Committee's Confidential Items

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; and
- (ii) would, on balance, be contrary to the public interest;

Section 91(7)

17 October 2013 Meeting with the Auditors

No

National Competition Policy

Significant Business Activities – 2013/14 Financial Year

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.

During the 2013/14 Financial Year the District Council of Mount Barker did not commence or cease any significant business activities controlled by the Council and the competitive neutrality measures applied to each significant business activity has continued.

Council By-Laws related to Moveable 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 includes:

- Community Wastewater Management System (CWMS).

Category 2

Category 2 applies to all other significant business activities, which includes:

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

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

- Windmill Hill Waste Transfer Station
- Various Council owned building / properties which are leased.

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

Committees

Audit Committee

This Committee met on 5 occasions at 8am on 15 August 2013, 17 October 2014, 20 February 2014, 17 April 2014, 19 June 2014.

Membership	Attendance
Michael Bails (Independent Chairperson)	4
Chris Howis (Independent Member)	5
Cr Bettcher	5
Cr Irvine	5
Greg Holman (Independent Member)	4

Sitting Fees

The Independent Chairperson receives a sitting fee of \$440 and other independent members receive a sitting fee of \$330.

AUDIT COMMITTEE ANNUAL REPORT 2013/14

Chairperson's Comments:

Council's audit committee provides the role of an independent observer. Its purpose is to enquire, observe and report to Council its concerns and observations relating to Council operations, policies, risk and compliance.

Established under the Local Government Act 1999 its scope and terms of reference are much broader than its name implies. However, the Committee itself does not have a management function nor does it have any power to direct or bind the Council. It does not conduct financial or compliance audits, nor is it entitled to.

In this observer role it provides the community with a measure of confidence that the decisions and operations of Council are open, fair and are consistent with the values and aspirations of the community set out in Council's many plans and policies.

It is within this context the Audit Committee met five times during the reporting period and attended to its program of review.

The 2013-14 financial year saw Council

continue its important work preparing for the impact of the Ministerial Development Plan Amendment (MDPA) and the commissioning of several capital projects funded in part from developer contributions associated with urban growth.

The last financial year also saw commencement of the first tranche of developments in the MDPA areas. This heralds an era of significant change for the community and brings with it challenges for Council to address as the demand for capital works and services continues to increase.

The management of Council's financial affairs continued to be a strength during the last reporting period. Council commences the urban growth phase with a sound footing however the years ahead will require even greater rigour and discipline to ensure that its ambition and programme of capital works are consistent with the strategic plans, policies and budgets it has presented to the community.

The Committee again commends Council for demonstrating a commitment to continuous improvement. The last 12 months again saw advances in the reporting of non-financial aspects of Council's operations, process improvements in risk and project management and further work in policy development. The community is well served by a council and administration open to improvements in the efficiency and quality of the services it delivers.

The Audit Committee thanks and acknowledges the support and cooperation of Council staff and its elected members during the 2013 – 2014 financial year and looks forward to continuing to work with Council. Meetings of the Council's Audit Committee are open to the public and the community are welcome to attend.

The committee was saddened by the loss of Bruce Gamble, a former Councillor and audit committee member. Bruce was an active, diligent member of the Council and a valued contributor to the committee for many years. His enthusiasm and passion for good governance will be missed.

Michael Bails

Chairperson Audit Committee

This report presents a summary of the District Council of Mount Barker Audit Committee's activities undertaken and recommendations made during the 2013/14 financial year.

Background information on the Audit Committee:

Membership:

From July 2012 until November 2012 the Committee had the following members:

- Michael Bails (Independent Chairperson)
- Chris Howis (Independent Member)
- Greg Holman (Independent Member)
- Cr Jeff Bettcher
- Cr Roger Irvine

- Proxy Members: Councillor Trevor Corbell and Mayor Ann Ferguson

Terms of Reference:

The Committee's Terms of Reference provides that the Audit Committee has a role in relation to:

- Financial Reporting and Sustainability;
- Internal Control and Risk Management;
- Whistle blowing;
- Internal Audit;
- External Audit;
- Policies (relevant to the Terms of Reference).

Meetings:

Five (5) meetings were held on 15 August 2013, 17 October 2013, 20 February 2014, 17 April 2014, 19 June 2014.

Committees

Committee Member	No of Meetings Attended
Independent Members:	
• Michael Bails (Chairperson)	4
• Greg Holman	4
• Chris Howis	5
Council Members:	
• Councillor Roger Irvine	5
• Councillor Jeff Bettcher	5
Proxy Members:	
• Mayor Ann Ferguson	0
• Councillor Trevor Corbell	0

Committee Activities:

Principal Issues Examined	Recommendations
External Audit	17 October 2013 Meeting with Auditors in Confidence No recommendation to Council

Risk Management & Internal Controls	15 August 2013 LGA Workers Compensation Scheme KPI Audit 2013 – Action Plan Note the report. Review of Leave Liability Note the Report. The next report to include percentage of salaries; sick leave and consider rules and controls of TOIL and RDOs.
	17 October 2013 Risk Management Report be noted.
	20 February 2014 Risk Management Report be noted. Annual Mutual Liability Scheme Risk Management Review Report be noted. Review and Test of Business Continuity Plan Report be noted.
	17 April 2014 Work Health and Safety Update Note the report. Internal Controls Note the report. Risk Management Note the report.

Financial Reporting	15 August 2013 Outstanding Debt Receivables Note the Report. 17 October 2013 Statutory Financial Statements of the Year Ending 30 June 2013 1. That the Financial Statements for the Year ending 30 June 2013 present fairly the state of affairs of the Council, and be presented to Council for adoption at its meeting on Monday, 4 November 2013. 2. That the Certificate of Auditor Independence be reviewed and if acceptable signed by the Audit Committee Presiding Member and Chief Executive Officer. 3. That the Audit Committee note the Auditor's Independence Declaration. Report on Contractors and Consultants Report be noted.
	20 February 2014 Replace Debenture 196 Note the report. Budget Review as at 31 December 2013 Note the attached revised budget for the year ending 30 June 2014 as at 31 December 2013. Report on Contractors and Consultants Report be noted.
	17 April 2014 Funding Policy Adopt the draft Funding Policy. Capital Works Project Note the report. Report on Contractors and Consultants Report be noted.

Committees

Financial	<p>19 June 2013 Outstanding Debt Receivables</p> <ul style="list-style-type: none"> • Council write off \$358,913 in outstanding debts on the proviso that a letter of advice from Council's legal advisor confirms that this is an equitable course of action; and • a further report be provided on the process related to the car parking fund. <p>Draft Annual Business Plan 2014/15 That the following changes be incorporated in the Annual Business Plan</p> <ul style="list-style-type: none"> • add a key assumptions page; • firm up performance measures by adding such things as timelines; – note the report; <p>Indirect Developer Contributions Report be noted.</p> <p>Banking Services Update Note the report.</p> <p>Report on Contractors and Consultants Report be noted.</p> <p>Letter from the Auditor General Letter be noted.</p>	Whistle blowing	<p>15 August 2013 Review of Whistleblowers Protection Policy and Procedure The updated Whistleblowers Protection Policy and Procedure be adopted with the following alterations:</p> <ul style="list-style-type: none"> • Undelete 6.4 of the Policy • Correct repetition of 2.3.2 in procedure <p>17 October 2013 Review of Whistleblowers Protection Policy and Procedure The draft Fraud and Corruption Prevention Policy; and the Whistleblowers' Protection Policy and Procedure be adopted.</p>
		Other	<p>15 August 2013 Audit Committee Self-Assessment The report be noted and Committee member complete the assessment in 1 week.</p> <p>2012/13 Audit Committee Annual Report The Audit Committee's Annual Report for 2012/13 be adopted; and The Chairperson Michael Bails provide a short presentation at a Council workshop.</p>

Audit Committee Evaluation

The Committee undertook a self assessment of its Terms of Reference and its own performance of these. This self-assessment was undertaken in consultation with all committee members and took account of factors such as:

- the Committee's work program;
- the Committee's operating environment;
- the stage of maturity of the Committee
- Council's strategic directions;
- Council's risk and control environment;
- Current and emerging trends and factors;
- the outcomes of previous self-assessments

The Committee's comments and recommendations are summarised in the following table:

Committees

DISTRICT COUNCIL OF MOUNT BARKER AUDIT COMMITTEE SELF ASSESSMENT SURVEY 2013/14

Please tick	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Comments	Training Required
1. Members of the Audit Committee understand their role and responsibilities				3	1	There has been reasonably stable membership of the Committee which has helped in this regard. New members have come on board and there hasn't been a steep learning curve for them.	N
2. There is a balance of independent and Council Members				3	1	I believe that Council members and independent members work well together. It seems to work well. It would be interesting to see how the affairs and deliberations of the Committee are reported back to Council by the elected members and whether they have an influence in decision making.	
3. Do members of the Committee believe there is a good balance of expertise and experience in its membership?				4		Each of the members has strengths and experience in different areas or areas they are particularly passionate about. This works well as both staff and other committee members are willing to listen and draw upon this.	
4. There is adequate training available What additional training would you suggest?				3		None. Currently I think so, however as committee members change there is merit in a refresher and perhaps an induction to ensure everyone not only understands the role of the Committee but also understands the context of Council's operations and strategic plans etc.	N
5. There is a general understanding of the Council, Local Government sector and external issues				2	2	As in Qu 4 I think there is, however there may be merit in the occasional higher level briefing to Members of what Council is up to in advance of decisions being made, as opposed to a review in arrears. Perhaps once a year industry/sector update from the LGA or somebody similar may be of assistance to ensure members are across all new areas of focus/issues.	
6. The meetings are conducted in an appropriate manner, frequency and length				1	3	Meetings are always conducted in a professional manner. The Chair ensures that each member has an opportunity to contribute. I think the length of the meetings is about right, though I'm not always convinced that the number of meetings is necessarily sufficient to address the whole portfolio.	N
7. The agenda papers are appropriate and outstanding issues followed up				4		Yes. I continue to be impressed by the support, cooperation and encouragement of staff.	

Committees

DISTRICT COUNCIL OF MOUNT BARKER AUDIT COMMITTEE SELF ASSESSMENT SURVEY 2013/14

Please tick	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Comments	Training Required
8. There is an understanding of financial indicators (and targets for these) being used to assess the Council's performance				4		Yes	
9. There was an objectivity and independence of operations over the past 12 months				3	1	Agreed – noting that staff have been willing to listen to suggestions and presentations to Council are generally well received.	N
10. The Committee has access to appropriate Council information				4		Having previously been involved in Council and therefore knowing some of the history of items it is ok for me, however I'm not certain that the independent members are always up to speed with the background to some issues.	N
11. There are adequate resources available to the Committee				4		Agreed	
12. There is a good working relationship with Council and the senior management team				1	3	Senior management team are always professional and patient and explain some of the more complex financial (and other) issues. Management are always open and positive when suggestions / questions are raised. Agreed, as in Qu 9 it is a good collaborative effort.	N
13. The work program is appropriate				3	2	Agreed	N
14. Members believe the Committee is effective in providing advice and recommendations to Council which contribute to the effective operation of the Council				2	2	I am pleased that suggestions and recommendations from the Committee are relayed to Council Members. I believe the advice given is sound and ultimately contributes to the overall effectiveness of Council. Yes for me the most satisfying part of the role is the confidence in knowing that the recommendations of the Committee are given due consideration by both staff and elected members.	N
15. Where would you like to see the Audit Committee adding value in the future?						I think it is doing a good job at the moment. It has been really good to have other senior (Council) managers give short presentations at the meetings. I think there is merit in a closer look at how all the various plans are tied together to inform the medium and short term budgeting processes. I think the Committee has about the right balance now.	

Committees

Strategic Planning and Development Policy Committee

The Strategic Planning and Development Policy Committee held 8 meetings in 2013/14 at 4.30pm on 22 July 2013, 12 August 2013, 11 November 2013, 9 December 2013, 11 March 2014, 14 April 2014, 12 May 2014, 10 June 2014.

Membership	Attendance
Mayor Ferguson (Chairperson)	5
Cr Hamilton	7
Cr Westwood	7
Cr Bettcher	7
Cr Stokes	7
Cr Grosser	6
Cr Heath	5
Cr Campbell	3

Committee Achievements

The Committee made recommendations to Council on the following topics:

- Aboriginal Cultural Heritage Policy and Procedures
- Privately Funded DPA Policy
- Kaurua Indigenous Land Use Agreement
- Rural (Primary Production) DPA
- Nairne Statement of Intent for the DPA
- Strategic Infrastructure Plan for Mt Barker, Littlehampton and Nairne
- Integrated Water Management Regional DPA
- Revised Master Plan for MDPA Area
- Integrated Transport and Land Use Plan.
- SAPN Steering Group Report and Undergrounding Options
- Totness DPA
- Nairne Community Consultation
- Mt Barker, Littlehampton and Nairne Strategic Infrastructure Plan
- Growth area: 66 KV Power Infrastructure

Community Grants Assessment Committee

This Committee met twice on 27 September 2013 and 1 May 2014.

Membership	Attendance
Cr Stokes (Chairperson)	2
Mayor Ferguson	2
Cr Corbell	2
Cr Hamilton	2

Committee Achievements

The Council budgeted \$62,220 for two rounds of community grants. The assessment process is conducted by the Committee which recommended 32 grants be provided to various community groups and associations.

The Committee approved expenditure of \$1,500 for 'Dump Vouchers' to community groups who apply.

The Committee also recommended approving discretionary rate rebates to 4 organisations.

Development Assessment Panel

The Council's Development Assessment Panel met 7 times on 31 July 2013, 21 August 2013, 2 October 2013, 29 January 2014, 19 February 2014, 12 March 2014, 14 May 2014.

Membership	Attendance
Roger Freeman (Independent Chairperson)	6
Ross Bateup (Independent Member)	7
Roger Irvine	7
Trevor Corbell	7
Carol Bailey	7
Mike Canny (Independent Deputy Chairperson)	6
Lissa vanCamp (Independent Member)	6

Sitting Fees

The Chairperson received a sitting fee of \$450 and all other members received a sitting fee of \$380.

Achievements:

7 Development Applications reports were considered. Of these:

- 5 were merit applications
- 2 were non-complying
- 1 was granted Development Approval
- 3 were granted Development Plan consent
- 2 were granted Development Plan consent subject to Development Assessment Commission concurrence
- None were refused
- 1 was deferred
- There were no compromises from appeals to the ERD court.

Training

A workshop conducted by Norman Waterhouse Lawyers was held with DAP members.

Committees

Building Fire Safety Committee

Council plays an important role in protecting the ongoing safety of the general public, the District of Mount Barker's Building Fire Safety Committee role is to monitor and ensure that building owner's (in particular those of a commercial nature) maintain their assets and ensure that the fire safety equipment is functioning to an acceptable standard.

Building Fire Safety inspections are not limited to buildings that have been recently constructed. The powers to require upgrade of equipment also extend to buildings such as existing Shopping centres, historical buildings and places of overnight accommodation.

Membership

Membership of this Committee is specific to persons with expertise in building fire safety, from which must comprise a minimum of three (3) members to constitute an assembly, Council has nominated the following persons;

- Peter Harmer, as Council's Building Surveyor and expert in the area of fire safety to act as Chairperson for this Committee,
- Colin Paton, who is a qualified fire engineer and holds the position of Senior Building Fire Safety officer with the Country Fire Service,

- Robert Gaetan, as a Council representative and a full member to continue as the Secretary for this Committee and as being a person with the necessary experience in building fire safety.

Meetings

Meetings are held on a quarterly basis at the District Council of Mount Barker, with special meetings held as the need arises.

Summary of the associated activity

The statutory power(s) are given by instrument within Section 71(16) of the Development Act 1993, which provides directive powers to;

- Determine a reasonable level of building fire safety,
- Ensure occupants have an adequate means of escape,
- Ascertain whether the building attributes is adequate to limit the spread of fire; and
- Determine whether appropriate level of fire fighting equipment for the Fire Brigade operational requirements.

The adopted method for determining the adequacy of building fire safety provisions is by a number of key factors;

- Detection,
- Evacuation
- Containment, and
- Extinguishment

Core objectives are the same as those stated in the provisions of the Building Code of Australia.

This Committee assembles and inspects on a regular basis to identify which buildings will be subjected for review and inspect.

The Committee met on three occasions and evaluated numerous 'high risk' commercial buildings, consisting of:

- A shopping centre
- A retirement village
- A Large retail outlet
- A childcare building
- Two Hotels / pubs

In terms of compliance and enforcement, the importance of this activity cannot be overstated as it seeks outcomes directly beneficial to the safety of the community.

Council's continuing support and commitment to this type of activity further demonstrates a proactive role in ensuring the community is suitably protected through the Strategic Plan.



Departmental Summaries

Council Services

Library Services

	2013/14	2012/13
New Items	6,527	7,150
Program Activities	432	465
Program Attendance	22,987	25,769

2013/14 saw more than 212,000 visitors come through the doors of the Mount Barker Community Library and approximately 340,000 books, DVDs, CDs, magazines and toys loaned out to members of the community, TafeSA staff and students.

Mount Barker Community Library continued to adapt to the changing social environment by being innovative and responsive in the delivery of services, resources and programs to the library's communities.

22,987 people participated in 432 library activities over the year which included author events, Information sessions, theatrical performances, latin jazz night, family holiday activities, history talks and activities and exhibitions.

The 'one card' network is connecting more than 130 public libraries across SA and enables people to borrow and return items wherever they are with their current library card. The One Card Network has expanded the choice of books, DVDs, CDs and magazines to borrow locally. The catalogue can be accessed at home, in the library, or the BookMyne app for tablets and smartphones.

Community and Customer Services

Tourism and Events

A number of significant events occurred throughout the District in 2013/14 including the All British Day at Echunga, the MRA Toy Run at Callington, the Macclesfield Gravity Festival, Meadows Country and Easter Fairs, Callington and Mount Barker Shows, Power of the Past and Highland Gathering.

Council's Australia Day Celebrations at Auchendarroch House attracted a large crowd and the Hahndorf Fringe Event was named as the Fringe Event of the Year.

The second of three International Sculpture Symposiums was held at The Cedars in Hahndorf.

40 other Community events throughout the district that were recipients of sponsorship and other assistance, along with a further twenty or so 175th celebration events in Mount Barker, Nairne and Hahndorf.

Plans are well underway for the relocation of the annual Highland gathering to Keith Stephenson Park from 2015.

The Adelaide Hills Visitor Information Centre in Hahndorf and the tourism website www.AdelaideHills.org.au is central to tourism development in our region. The website will undergo a facelift and have additional functionality in partnership with Adelaide Hills Tourism in 2015. The Visitor Centre is manned by 25 volunteers, providing 5,000 hours of their time, servicing up to 40,000 visitors each year.



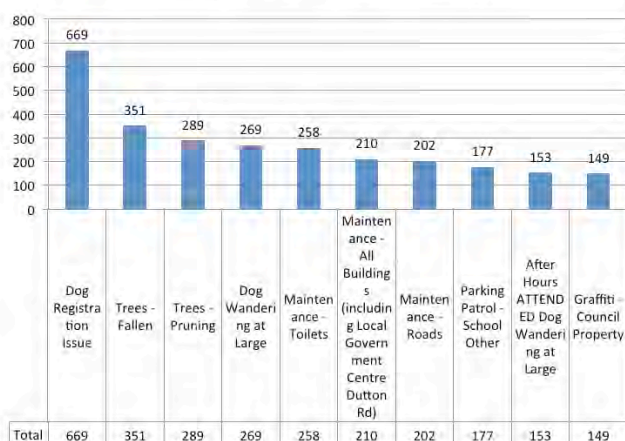
Departmental Summaries

Customer Requests

**District Council of Mount Barker
Total Customer Requests Lodged 2013-2014**



**District Council of Mount Barker
Top 10 Customer Request Categories 2013-2014**



Youth Development

The district's young people are a diverse and growing group in the community. They have varied interests and needs which have been served by a myriad of innovative and engaging opportunities over the last 12 months via Council's Youth Development Program. The program continues to be complemented by numerous collaborative community events and activities facilitated by Council's Youth Development Officer.

Young people have enjoyed local access to visual and performing arts opportunities, skate and BMX events and for the musicians, events such as the Rush Festival and Imagine Battle of the Bands. For young people with a passion for the environment, there have been opportunities and support for these young people to engage with environmental groups and activities coupled with further leadership roles in the community. Youth volunteers and aspiring future community leaders have been profiled for the highly valuable role they play in our community and to inspire other young people.

The Youth Development program supports youth sector activities and programs such as the Adelaide Hills Youth Sector Network and the local chapter of Operation Flinders. Looking to the next 12 months, ongoing activities for Skate and BMX enthusiasts, musicians, film makers and public art are amongst some of the future opportunities currently being developed.



Departmental Summaries

Volunteering

Volunteering – Regionally

Hills Volunteering launched the new Adelaide Hills Volunteer Charter signed by the Minister for Volunteers and Council Mayors. This charter strengthens support for volunteers and volunteering and acknowledges that volunteering connects our communities; improving health and wellbeing as well as enhancing a sense of place and community connection.

Hills Volunteering promotes volunteering, opens up avenues for volunteers and builds the capacity of volunteer organisations to attract, train and support volunteers.

In May 2014, the annual Volunteer Movie Day at Wallis Cinemas Mt Barker attracted around 1,000 volunteers from across the region.

The annual survey was completed by a staggering 1338 volunteers. This year saw an increase in younger volunteers attending the day and many other 'first time' attendees.

The recent changes to WHS legislation also saw an influx of volunteers and organisations accessing training.

Council Volunteers

Council maintains a pool of around 150 active volunteers enhancing quality service delivery across programs including Community Transport, Friendly Visiting, Social Options, Events, JP Services, Local History, Toy Library, Story-time, Collection Maintenance, Visitor Information Centre, Graffiti Removal GET Proud Program and the newly formed program at the Laratinga Wetlands.

No. of Volunteers Hours volunteered

158	14,242
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The highly successful grant funded Graffiti Removal GET Proud trial program made a dramatic impact on graffiti across the region visiting 321 sites and removal of graffiti from an area of 2,200m². The program has ongoing support from Council for a further 12 months.

Council was also successful in a grant application for funds to assist incorporated community groups access training which will be delivered in the next financial year.

Hills Community Transport

Hills Community Transport (HCT) is funded by the State and Commonwealth Governments through the Home and Community Care (HACC) program, the State Department of Planning Transport & Infrastructure, District Council of Mount Barker, Adelaide Hills Council and Alexandrina Council.

The Program provides information about available transport in the region and brokers or provides transport to people, within the 3 council districts, who do not have any other option. Council has the assistance of 23 volunteer drivers who contributed 3,275 hours of driving.

Staff received 194 enquiries and 398 people undertook 3,223 one-way trips, an increase of around 8% on the previous year. Approximately 129,748 kilometres were travelled. The majority of trips (85%) were for medical, health and specialist appointments, while others also assisted people to visit their spouses in hospitals and nursing homes, attend social activities, do their shopping and pay their bills. Around 79% of clients, are over 65 years of age.

Shopping Shuttle Service

The Mount Barker Intratown Shuttle, funded by The District Council of Mount Barker and administered by Hills Community Transport delivered 997 one-way trips to residents who needed transport assistance to access shops, banks and other services in the Mount Barker CBD. This was a 56% increase on the previous year.

Community Bus

Council has commenced a trial community bus service for 12 months. The bus accommodates 19 passengers or 15 and 2 wheelchair passengers. The bus is driven by qualified Council volunteers and is available for hire 7 days a week. The three aged care facilities in the district and a number of community groups have already used the service.



Departmental Summaries

Home and Community Care (HACC)

The Home Assist, Social Options and Take a Break Respite programs are funded by the State and Commonwealth Governments through the Home and Community Care (HACC) program and the District Council of Mount Barker.

The Home Assist and Respite program assists frail elderly, people with a disability and their carers with minor home maintenance, annual gardening assistance, short-term cleaning, social support and respite. These services support clients to remain living independently in their own home.

Volunteers and volunteer groups assist in providing support to people to remain independent within their own homes. Global Care and Kiwanis of the Adelaide Hills volunteers provided 199 hours with 31 other volunteers providing 1295 hours of assistance.

Home Assist provides minor home and garden maintenance, short-term cleaning, spring cleaning, window cleaning, rubbish removal and home security checks. In 2013/14 the programs provided the following assistance:

	Clients	Occasions of Service	Hours of Service
Cleaning	82	271	1058
Spring cleaning	27	30	62
Window cleaning	48	50	92
Rubbish removal	43	58	89
Home maintenance	289	338	732
Garden maintenance	125	142	478
TOTAL	614	889	2,511

The Social Options Program provided social connection to more residents over 65 this financial year due to an additional grant. A new group outings program included information sessions, cinema outings and bus trips.

The Social Options Program also provided the following assistance.

	Clients	Occasions of Service	Hours of Service
Individual social support	32	280	498
Group outings	242	930	3878
Shopping assistance	8	51	101
TOTAL	282	1261	4,477

The 'Take a Break' respite program provided 7 carers of people with a disability with 76 occasions of respite totalling 322 hours.

Recreation and Culture

Council was able to partner with the community, government and non-government organisations to deliver many highlights for the year through the delivery of community, recreational and cultural outcomes.

Community activities significantly increase the quality of life and are reflective of our local cultural aspirations, concerns and identity.

Council's role of supporting the Arts resulted in exhibitions and performances by local and visiting artists across the District. SALA and Fringe Festivals saw the talents of Hills Artists on show for all to enjoy.

Council hosted and participated in the Adelaide Hills Aboriginal Services & Community Initiatives Forum whose aim is to provide opportunities for Aboriginal people living in the Adelaide Hills to access services, engage with the community, increase voice and influence regional policy and decision making.

Community groups and individuals have been engaged to prepare project charters for activities and projects of community interest.

Council's was also involved in Reconciliation Week and NAIDOC Week celebrations that are amongst the best supported events in the State.

Communications

Communications provided during 2013/14:

- Promotion in the form of media, online videos, publications, advertising, photography, signage, marketing and promotional items, direct mail and newsletters;
- Graphic design services provided for various requirements;
- New corporate signage;
- Coordination of photography, design and text for various Council promotions and awards (such as E-Dialogue for Global Mayors and LGA's 'Emerging Leader of the Year');
- Developed marketing material for the LGA 2014 local government elections throughout South Australia.

Adverts Produced	128
Media Enquiries/Releases (includes television, newspapers & social media)	137
Publications and projects produced or facilitated (including Graphic Design, Photography, Videos and Professional Guidance)	228
Corporate identity enquiries and approvals	41

Departmental Summaries

Field Services

Civil

Council's roadwork maintenance program has continued throughout the year on the following roads:

Dawesley

Dawesley Road
Sawpit Gully Road

Echunga

Hagen Street
Hawthorn Road
Marianna Street
West Street
Woodgate Street

Flaxley

Whites Road

Hahndorf

Braun Drive
English Street
Molens Road
Stempel Avenue
Willow End

Littlehampton

Baker Street
Cleggett Road
Clems Lane
Darnley Street

Macclesfield

Bugle Range Road
Cunliffe Street
Davies Street
Devereux Street
Kingrose Street
Luck Street
Searle Street
Vernon Street

Mount Barker

Bollen Road
Hartman Road
Mann Street
Dumas Street
Walker Street

Nairne

Hillman Drive
Shakes Road
Torrens Street

Totness

Diagonal Road
Follett Close

Footpath renewal occurred at the following locations:

Mount Barker

Adelaide Road
Alexandrina Road
Keith Stephenson Park

Hahndorf

Balhannah Road

New footpaths were constructed at:

Hahndorf

Auricht Road
Johns Lane

Kanmantoo

Mine Road

Mt Barker

Hurling Drive
Fletcher Road
Mann Street

Nairne

Britannia Road
Rachel Circuit Reserve
Burns Street

Horticulture

• Additional Reserves

Over 18,000 square metres of additional reserves have been handed over to Council including Summit estate Mount Barker, Fox Hill Nairne and areas within Bluestone estate.

• Mowing

Mowing of new reserves has increased by an additional 10,000 square metres. Keith Stephenson Park continues to be mowed on a weekly basis.

• Playgrounds

33 playgrounds throughout the district continue to be maintained by council staff including monthly checks on all equipment.

• Tree Management

Planting, watering and formal pruning of over 150 new trees was undertaken

• Mulching

1,500 cubic metres of mulch has been used.

• Laratinga Wetlands

18 tours of the wetlands were undertaken by staff. The groups included schools and International visitors.

• Community events

Staff assisted in 15 community events throughout the district.

• Use of Community service

9,000 hours of community service were undertaken by the Department of Corrections. Tasks included mulching, brush cutting and rubbish removal.

• Revegetation

Parks and Gardens staff assisted in the planting of up to 7,500 new plants. They continue to maintain these areas with a success rate of about 75%.



Departmental Summaries

Waste Services

The kerbside waste disposed to landfill in 2013/14 was 6,125 tonne, compared to 6,124 tonne in 2012/2013. The total number of households within the Council area increased by 225 households, which resulted in a reduction of waste to landfill of 0.15 kg/household/week.

The tonnes of waste to landfill has remained steady over the last two years.

Total tonnes recycled increased by 22 tonnes, with 2,633 tonnes of recycling being collected in 2013/2014, compared to 2,611 tonnes in 2012/2013.

Total tonnes of green organics composted increased by 489 tonnes, with 2,871 tonnes of green organics being collected in 2013/2014, compared to 2,382 tonnes in 2012/2013.

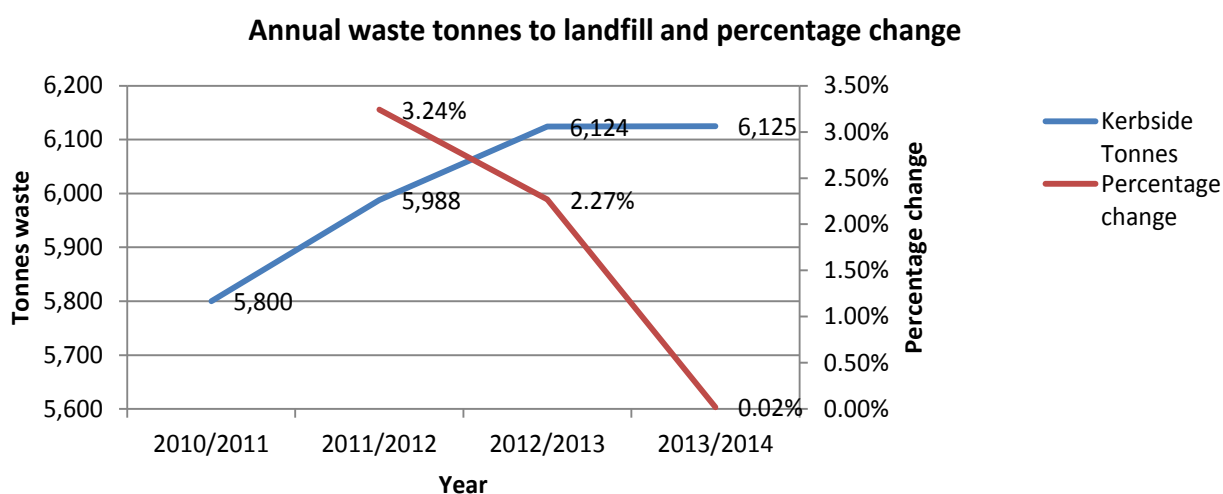
Overall diversion of waste from landfill increased by 2.42%, with diversion being 47.3% in 2013/2014 compared to 44.9% in 2012/2013.

Year	Kerbside Tonnes	% change
13/14	6,125	+0.02%
12/13	6,124	+2.27%
11/12	5,988	+3.24%

Fire Prevention

The following fire prevention activities were undertaken this year as part of an annual schedule:

- Roadside Maintenance Program (Slashing and Spraying)
- General Reserve Maintenance (Parks and Gardens Department)
- Extra Reserve Maintenance (Open Space and Environment Department)
- Community Education (SA Country Fire Service)
- Issuing of Burning Permits
- Property and vacant block inspections
- EPA Burning compliance inspections
- Bushfire Prevention compliance notices
- Annual Bushfire Prevention pamphlet.



Departmental Summaries

Community Assets

The following fire prevention activities were undertaken this year as part of an annual schedule:

- 325 structures, including 28 public toilets;
- 1,318 street park furniture, including barbeques;
- 149 individual play equipment comprising of 33 playgrounds;
- 49 buildings for sports venues, halls & institutes;
- 31 buildings for other community assets, e.g. Hahndorf Academy; Civic Centre, Library, Field Services, 23 Mann Street, Waste Transfer Station; Mount Barker Tourist Park.
- Property Management of the Mountain Pool & Adelaide Hills Recreation Centre.

Key Outcomes for the 2013/14 financial year:

- Continuation of rectification works on community assets relating to the fire safety audit outcomes.
- Finalisation of asbestos removal program.
- Ongoing regular inspections of various community sites
- Facilitation of requests from Council sponsored event organisers, e.g. cleaning of toilets, security, etc
- Ongoing engagement and liaison with community members relating to various agreements
- 10 Management Agreements & Business Plans signed with Sports Venues, Halls & Institutes.
- Finalisation of Sub-Licence Agreement for Pageant Committee.
- Finalisation of Licence Agreement for the RSL at Macclesfield Recreation Grounds.
- Meetings held with Incorporated Associations to discuss draft standard Management Agreements, Repair & Maintenance Guides, Fire Safety Audit Reports recommendations and outcomes, Business Plans & the *Safe Drinking Water Act*.

Completed Projects

Classification	Project Name
Callington	
New Asset	Callington Oval – RV Dump Point
Echunga	
Renewal	Echunga Rec Grounds – Clubroom Renewal, 3 phase power, outlets, septic tank
Renewal	Echunga RSL Gardens – Car Park & Picnic Facilities
Flaxley	
Renewal	Flaxley Road Public Toilets
Hahndorf	
Renewal	Pioneer Park – Toilet & Park Redevelopment
Maintenance	Hahndorf Academy – Barn Storm Damage Repair
New Asset	Hahndorf Rec Grounds – Drainage & Traffic Design
Littlehampton	
Renewal	Anembo Park – Gazebo/Shelter
New Asset	Anembo Park – Tennis Courts and Lighting
Renewal	Littlehampton Peace Memorial Hall – Toilet Design
Kanmantoo	
Renewal	Kanmantoo Hall – Ramp
Macclesfield	
Renewal	Macclesfield Football Club – Ceiling Replacement
New Asset	Crystal Lake, Macclesfield – Sculpture Installation
Maintenance	Greenhills CFS, Macclesfield – Shed Repair for GravFest
Meadows	
Renewal	Meadows Rec Grounds – Disabled Public Toilet
Mount Barker	
Renewal	Laratinga Wetlands Toilets Water Supply Improvement
Renewal	Fit-out of Field Services Office
Renewal	Adelaide Hills Rec Centre – Rectification of fire safety defects
Renewal	Keith Stephenson Park – Drainage
New Asset	Men's Shed – Design and Costings
Maintenance	Kindergym – Shed for Storage
Nairne	
Renewal	Nairne Rec Grounds – Tennis Court Resurfacing
Maintenance	Nairne Market – Bitumen Driveway
Prospect Hill	
New Asset	Prospect Hill Memorial Hall – Disabled Ramp
Various locations	
New Asset	RSL Monument Upgrades for ANZAC Centenary

Departmental Summaries

Carried Forward 13/14 PROJECTS to 14/15

Classification	Project Name
Callington	
New Asset	Callington Rec Grounds – New Clubrooms
Design and Costings	
Hahndorf	
Renewal	Hahndorf Academy – Lift Design and Costings
Maintenance	Waste Transfer Station – Electrical upgrade
Maintenance	Hahndorf Institute – Upgrade to LED Exit lighting
Harrogate	
Renewal	Harrogate Tennis Club – Court Resurfacing
Littlehampton	
Renewal	Anembo Park – Clubrooms
Renewal	Anembo Park – Jump Track
Macclesfield	
Renewal	Davenport Square, Macclesfield – Gazebo / Stage / BBQ
New Asset	Macclesfield Tennis Club – New Clubrooms
Mount Barker	
Renewal	Mount Barker Skate Park – Shelter & Signage Design

Asbestos Removal

- 64a Mt Barker Road Hahndorf – Removal of asbestos from toilet ceiling linings
- Prospect Hill Memorial Hall – Removal of asbestos from external eaves lining & pie warmer disposed of.
- Prospect Hill Memorial Hall Tennis Club – Removal of asbestos from internal switchboard.
- Von Doussa Clubhouse, Mount Barker – Removal of asbestos contained in hot water service
- Harrogate Tennis Club – Ceiling replaced with non-asbestos product.

Health and Public Safety

Health

The Environmental Health unit is responsible under the provisions of the Food Act 2001 and the Food Safety Standards to monitor and assess food premises for food safety and hygiene, which included routine inspections, follow up inspections, food safety audits and complaint inspections.

The Environmental Health Officers are also responsible for the assessment, approval and inspection of new or altered wastewater systems installed within the Council district. These approvals are generally followed up by onsite inspections to check the under floor plumbing, tank installation and waste water disposal. A total of 622 onsite plumbing inspections were conducted.

There were a further 90 general health complaints investigated including vermin, issues under the SA Public Health Act, failing waste water systems, issues that fall under the Environment Protection Act, wood smoke and odour issues. Other inspections were completed on the public swimming pools and compliance checks on public facilities which have warm water systems installed.

Food premises inspected	237
Food safety training sessions for volunteer organisations and food premises staff	4
Wastewater systems assessed	471

Council is working with five other Councils (Alexandrina, Victor Harbor, Adelaide Hills, Yankalilla and Kangaroo Island) to produce a regional Public Health Plan which should be completed in early 2015.

Civil Compliance

Civil compliance requires the assessment and inspection of council infrastructure to determine whether there has been any damage or environmental consequences as a result of development. Good relationships between Council and building contractors, major developers and trades people is important to assist in protecting and maintaining Council's infrastructure.

2,170 site inspections were conducted over the year, including building site inspections, assessment of applications to construct infrastructure, responses to customer complaints and compliance follow up inspections.



Departmental Summaries

Public Safety

The Public Safety Officers (PSOs) are responsible for ensuring the safety and wellbeing of the community by responding to animal management issues, the monitoring of school and general parking, abandoned vehicles, verge encroachments, outdoor dining and general public safety issues.

In terms of animal management there were 7,735 dogs registered in 2013/14. Forty nine (49) reserves and other public places were patrolled to ensure that people are walking their dog on a leash

Animal related enquiry	1,072
• Dog attack or complaints	41
• Wandering at large complaints	422
Outdoor dining permits	27

The public safety officers continue to monitor school parking zones and performed 360 patrols of schools within the Council area. There were another 539 general parking issues that were investigated. The Public Safety Officers monitor general parking zones throughout our major towns as well as monitoring major shopping centre car parks in Mount Barker.

Infrastructure and Projects

Projects

Capital projects progressed well with construction of the 1st Stage of the Laratinga Trail to Hurling Drive shared path and Bridge, the Morphett/Hutchinson Precinct Upgrade, commencement of the new Environmental Centre Wetlands on Springs Road, confirmation of funding for the New Freeway Interchange at Bald Hills Rd, upgrading of another section of Bald Hills Road, upgrading of a section of Alexandrina Road, improvements to stormwater infrastructure, and upgrades to local road infrastructure throughout the district.

A highlight was the completion of the new Park N Ride on Dumas Street providing the community with an additional 400 odd spaces. The State Government project followed persistent advocacy by Council on behalf of the community.

Council was successful in gaining funding via the Power Line Environment Committee to enable the undergrounding of power lines in a section of the Main Street, Nairne.

Wastewater

Planning to manage the increased volumes expected over the coming years as the growth areas are developed has been the strong focus of activity. Construction of an additional Continuous Membrane Filtration (CMF) plant at the Springs Road treatment plant site is now underway which will help address existing capacity issues during high demand in the winter months as well as provide additional treatment capacity as the towns of Mount Barker and Nairne continue to grow into the future.

Construction has commenced on a new wastewater treatment plant at Meadows to service the entire township. The new plant is predominantly developer funded and will treat effluent to a high standard, enabling usage (for non-drinking purposes only) within new homes in the Mawson Green residential development.

Water Management

The treatment of wastewater collected from the townships of Mount Barker, Littlehampton and Nairne has seen an increase in sales of recycled water (treated wastewater) with over 1.4 million kilolitres used for mining, horticulture, and watering of council reserves and ovals. This has seen a significant reduction in the volume of treated wastewater discharged to the Mount Barker creek.



Departmental Summaries

Planning and Development

Strategic and Economic Development

A review of Council's Strategic Plan 2012-2017 was undertaken. The Strategic Plan has a number of objectives and performance measures that are reported against and tracking progress against these objectives helps inform the determination of priorities and budgets and review existing and proposed actions. A major review of Council's strategic plan and planning framework will occur in the coming year to coincide with the election of a new Council and to ensure it remains relevant to the issues and challenges facing the district in the coming decade and beyond.

A State of the District report was finalised. The State of the District Report is intended to underpin the development, implementation and monitoring of Council's Strategic Plan and to inform a range of Council's strategic, policy and community planning initiatives. It has been developed to draw together research into the key determinants of social, environmental and economic sustainability and to consolidate this information into an accessible and repeatable form.

An economic development strategy was developed to provide direction and to focus efforts on strategies for Council and partners to pursue that will help local economic development and employment opportunities. With the growth expected over the next 20 years there will be a need for significant economic development and local jobs to be provided in order that the ratio of people leaving the district remains the same or is reduced and to help in creating vibrant and functional public and employment precincts.

Open Space and Environment

In 2013/14 the following was undertaken:

- A third Tree Asset Data Collection instalment bringing the tree data capture to approximately 40% of the districts high use areas.
- Completion of the third Holistic Rural Roadside Vegetation Management instalment.
- Extensive town centre street tree pruning.
- Unique street and reserve tree planting projects.

- Negotiating high value remnant trees in becoming public assets on greenfield development sites.
- Under power line vegetation removal trials as a joint venture with SAPN and Adelaide Mount Lofty NRM Board.
- Presentation of Veteran Tree Management practices in the District at 2013 Treenet Conference (Day 2 practical workshop)
- Hosting the State Tree Climbing Championships in KSP October 13.

Development Services

Planning:

• Development Applications lodged in total	1062
• Land division Applications	60
• Land Use Planning Consents granted	922
• Category 2 and 3 applications completed	61
• Non –Complying applications processed	6
• Assessment timeframes performance average	64% (in time)
• Appeals	8

In addition to the total number of development applications granted Planning Consent only two (2) development applications were refused. On application for land division included stage one of a major land division within the urban growth area involving approximately 500 additional allotments.

Additionally, Council also concluded its assessment on another major land division previously received in November of 2012, providing Planning Consent and Land Division approval for this application for 498 new allotments, again within the urban growth area. Overall, the level of complexity in development assessment remained high with Council receiving a number of complicated and often contentious development applications proposing a highly diverse range of land uses spanning all corners of the district including commercial, retail and residential.

A total of sixty one (61) applications were defined as Category 2 or 3 forms of development requiring public notification including six (6) non complying applications.



Departmental Summaries

Building

The building department are involved in building rules assessments; inspections related to Regulation 74 of the Development Regulations 2008, and the Building Fire safety Committee, which inspects existing 'high risk' buildings to ensure building fire safety levels are adequate.

New changes to building procedures includes implementing an online electronic notification for mandatory building works, and establishing a swimming pool register in preparation for potential State Government changes to swimming pool safety legislation.

State Government has also developed another system to review by 'auditing building rules assessment' pursuant to Section 56B of the Act, which is intending to scrutinize each Council (and Private Certifiers) to ensure that Building Rules assessment is undertaken in accordance with the Development Act & Regulations. The audit also includes a review of legislated procedures associated in granting a development authorization which filters through to the administration role of the relevant authority.

• Building Rules Consent Applications	501
• Private Certification	429
• Total Development Value	\$479.1M

Corporate Services

Procurement

Council released 38 invitations for tender in 2013/14 which were predominantly for construction and waste water asset improvements.

A minor civil works contractor panel has been established and contractors included on the panel will be invited to provide quotes and tenders for civil works up to a value of \$250,000. Many of the contractors on the panel are from the district. Use of contractors on the panel will reduce Council administration costs for tendering and award of contract. The panel have been pre-qualified, having provided Council with evidence of their insurances, licencing, previous experience etc. A panel of trades contractors is planned for 2014/15.

Exemptions from tendering were approved for 8 tenders.

Since the introduction of ICAC Council staff have been provided with training in probity and contract management. Further training for staff in procurement practices and contractor WHS management will be held in 2014/15.

Council continues to participate in the LGA sponsored 'Procurement Roadmap'.

Council Land

Council continues to establish formal agreements for the use of Council land. New management agreements for lessees of Council's sporting and recreation facilities have been prepared and are gradually replacing existing agreements.

Mount Barker Caravan & Tourist Park

New managers Kym & Linda Wilson commenced in August 2013. Items of significance with the Park in 2013/14 include:

1. The Park has maintained a 3.5 STAR Rating from AAA Tourism
2. Council have three (3) specific objectives:
 - Maintain an annual occupancy rate of over 60%
 - Increase the operating surplus
 - Maintain at least a 3 STAR Rating

Occupancy and income from the hire of cabins occupied on a long term basis in 2013/14 by mine workers and fruit pickers have contributed to an increase of 36% in income for the Park.

Records

During 2013/14 Council added 120,970 records to its records management system.

Council is in the process of reviewing and updating the records business classification scheme which will provide for more consistency in filed maintenance and assist in finding files more efficiently.



Departmental Summaries

People and Culture

Policies

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

- Council Vehicle Policy
- Motor Vehicle (Usage) Procedure
- Corporate Uniform Policy and Procedure
- Recruitment & Selection Policy and Procedure
- Police Clearance & Screening Procedure
- Classification / Remuneration Review Procedure
- Learning and Development Policy
- Acceptable Limits of Leave Entitlements Procedure

All staff were provided with the opportunity to participate in the Healthy Lifestyle Program (program launch, health assessments, skin cancer screening, health coaching, online interactive health program). This program was well attended and highly beneficial with employees benefiting from early detection and/or awareness.

Learning and Development Program

The following learning and development program initiatives were delivered this year:

- WHS Responsibilities for Managers/Supervisors
- Dealing with Difficult Customers
- Workplace Bullying & Harassment / Contact Officer
- Emergency Warden / Fire Extinguisher
- Hazard Management
- Manual Handling
- Construction (White Card)
- ICAC and Code of Conduct
- Workzone Traffic Management
- Health & Safety Representative
- Report Writing
- WHS Volunteer Management
- WHS Contractor Management
- Senior First Aid Training

Work Health and Safety

Council has a total of 47 WHS policies and procedures and 36 of these policies and procedures have been reviewed.

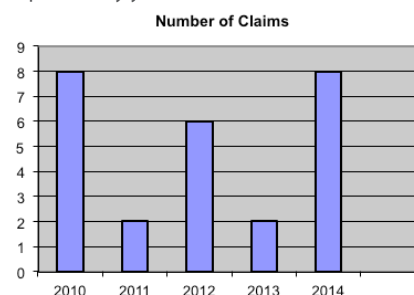
Council continues to develop improved systems and processes to meet Work Health and Safety legislative requirements as well as local government workers compensation scheme requirements.

A summary of Council's performance in this area is provided below:

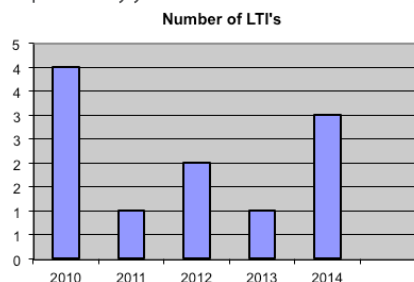
Work Cover

Total claims	8 (3 remain open, 5 closed)
Lost time	3 claims resulted in lost time with a total of 26 days lost.
Demographics	Male v Female: 6 v 2 Age: 18-30 = 0 30-44 = 3 45-59 = 4 60+ = 1

Comparison by year of number of WorkCover claims:



Comparison by year for number of lost time injuries:



Rebate/Penalty – Summary

3 Year Period:	2012	2013	2014
Contribution	\$1,568,978	\$1,668,045	\$1,774,336
Claims Paid	\$224,406	\$230,851	\$152,658
Loss Ratio	14%	13%	8%
Rebate Indication	47.3%	47.9%	50.6%

Hazard, Injury & Incident Reports Cover

Injury / Incident Reports	50	Hazard Reports	6
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- We have had a steady rate of injury & incident reports submitted throughout the period.
- Next period – Aim to increase hazard reports, and reduce incident / injury reports.

Financials



Southern & Hills Local Government Association

Adelaide Hills, Alexandrina, Barossa, Kangaroo Island, Mt Barker, Victor Harbor and Yankalilla



ANNUAL REPORT 2013-2014

Address:
Email:
Mobile:
Website:

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graeme@shlga.sa.gov.au
0418 502 311
www.shlga.sa.gov.au

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 seven (7) local government Councils:

- Adelaide Hills Council
- Alexandrina Council
- The Barossa Council
- Kangaroo Island Council
- District Council of Mt Barker
- City of Victor Harbor
- District Council of Yankalilla

Collectively these seven (7) Councils have:

- ☑ More than 137,500 people as at 30th June 2013.
- ☑ 7,274 kilometres of local roads of which 2,585 are sealed, 4,440 are formed unsealed and the remaining 249 are unformed.
- ☑ Area consists of 9,658 square kilometres.
- ☑ An ocean coastline of 653 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 \$3 billion in gross value to the State economy in 2006/07 or 4.4% of gross state product.
- ☑ 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 Barossa Valley, 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.

Office Bearers 2013 – 2014

President	Mayor Ann Ferguson, DC Mount Barker
Deputy President	Mayor Jayne Bates, Kangaroo Island Council
Executive Officer	Mr Graeme Martin
Auditor	Mr Trevor Hirth, FCA, HLB Mann Judd
Elected under the provisions of the Constitution of the Local Government Association	
Delegate to LGA Board	Mayor Ann Ferguson
Proxy Delegate to LGA Board	Mayor Jayne Bates, Kangaroo Island Council
Delegates to SAROC	Mayor Ann Ferguson
	Mr Graeme Martin
Proxy Delegate to SAROC	Mayor Jayne Bates

President's Forward

We have completed another successful year, one of consolidation and reflection for the Southern and Hills Local Government Association.

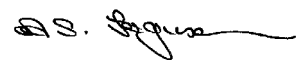
The organisation is in a sound financial position and has now commenced its new four year Business Plan for the period 2013-2017. This past year has seen our energies devoted to the core business of the continuing work of the existing Roads Working Party and the 2020 Transport Plan review, the continuing work to develop and co-ordinate a regional plan to comply with the SA Public Health Act and maintaining and reviewing key strategy and performance documents such as the Annual Action Items and Annual Budget.

Once again the key to our future success will be in our continued collegiate co-operation and development of efficient shared services particularly in the face of economic headwinds. These conditions will force us in future years to question our essential business and sustainability. One of life's certainties is 'change'.

Our Executive Officer, Graeme Martin now in his second year has been active in many management and representative roles as we continue to advocate and promote the S&HLGA region and the association's activities. The S&HLGA Board conducted a thorough EO performance review and successfully negotiated a new contract. I thank our EO for his continued support and commitment.

We have continued to foster our relationships with our peak representative body the LGA (SA) and other key bodies such as Regional Development Australia and the Natural Resource Management Boards as we confront the many impacting regional issues.

In closing, I once again thank all the member councils for their support, and the ongoing contribution of member Mayors and CEOs.



Mayor Ann Ferguson
President



The Board

The Board held 6 ordinary bi-monthly meetings, and a Board workshop, 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 first hand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

16 August 2013	–	Adelaide Hills
18 October 2013	-	Barossa
6 December 2013	-	Victor Harbor
21 February 2014	-	Kangaroo Island
4 April 2014	-	Alexandrina
21 June 2013	-	Adelaide Hills

Key Issues acted on by the Board included:

- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to develop the regional Investment portfolio.
- o Recommended and developed policy and involvement in the campaign on “making regions matter” for the 2014 State election.
- o Lobbied and worked with the LGA on the review of the Native Vegetation Council Significant Environmental Benefits (SEB) offset scheme.
- o Developed and completed stage one of a regional SA Public Health Plan.
- o Developed the regional priorities following the critical strategic review of the organisation.
- o Completed the updating of the Roads Database component of the regional 2020 Transport Plan and commenced the comprehensive review of the Regional Transport Plan.
- o Successfully completed the Chief Executive Officer Contract renewal negotiations following on from the comprehensive formal performance review.
- o Updating and maintaining of the S&HLGA Website and developing new promotional material.

Regional Consultations and briefings were coordinated to occur on the day of Board meetings. 10 various speakers addressed meetings of the Board and 2 regional hearings were held.

In addition the CEO's group conducted several of their meetings in the morning preceding the Board meeting.

The Board reviewed its achievements to date and developed a new Action Plan for 2013-2014

At the conclusion of the period 2013-2014 the Board completed a review of its Annual Key Actions and its Annual Budget performance.

S&HLGA Roads Working Party

The Working Party, with membership drawn from directors /managers of technical services of Councils and regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure held its annual meeting in April to review the S&HLGA 2020 Transport Plan (Plan) Roads database priority summary list and to make recommendations on regional priorities for the Special Local Roads Program (SLRP). The work of the committee included:

- Co-ordinate the annual review of HDS Australia Pty Ltd's summary assessment and update of the 2020 Transport Plan Roads Database.
- Co-ordinated and supported the application process of Councils to the SLRP.
- The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2014 – 2015
 - Alexandrina Road - District Council of Mt Barker, Requested Grant \$1,000,000
 - Cape Willoughby Bay Road – Kangaroo Island Council, Requested Grant \$466,666
 - Ocean Road – City of Victor Harbor, Requested Grant \$734,000

CWMS Group

The S&HLGA Community Waste Water Management Systems (CWMS) User group has been formally constituted with member establishment levies set comprising a base rate plus a percentage based on the number of connections.

Following on from 2012 workshop with the Essential Services Commission of SA (ESCOSA) to review Water Industry reform and the implications of the Water Industry Act 2012, the group has been reviewing options for CWMS assets in light of registered interests from the private sector.

This work should continue during the following years along with the recommendations for CWMS owners to seek and implement best practices and efficient maximum return operations.

Regional Papers and Submissions

The following Papers and Submissions have been prepared on behalf of Member Councils during the course of the year:

- To the Commonwealth Financial Assistance Scheme review on behalf of the S&HLGA region.
- To the Native Vegetation Council concerning the SEB offset review and Local Government exemptions
- To LGA on Mobile Communication Blackspots in the S&HLGA Region

Task Force and Working Groups

The S&HLGA EO was a member of the following Task Force and Working Groups during the course of the year:

- SA Public Health Plan.
- Regional LGA CEOs group.
- LGA Regional Airports group.
- 2020 Transport Review task force

Workshops and seminars

The Executive officer represented the member Councils at various workshops and seminars during the course of the year:

- NBN Briefing for the region
- Planning Reform for the State
- Integrated Land Use Study
- Local Excellence Expert Panel on Councils of the Future

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 of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils that included:

- Provide initial feedback and then assist with the ongoing review of the Native Vegetation Council SEB offsets methodology and calculation
- Recommending and developing policy on Regional Development for the 2014 State Elections
- Continuing lobbying for a more balanced & nationally consistent approach to planning, regulation for rural and regional road safety & speed limits
- Input into the development of a balanced and consistent community access policy and position to Department of Education sport and recreational facilities.
- Input into the development of policy on the use of Council Resources in Emergency response operations
- Providing input into the Financial Assistance Grants Commission methodology review
- Active support for the LGA position on the implementation of the National Heavy Vehicle Regulations and assisting the development of a policy to manage this into the future

LGA Board Committee

S&HLGA President, Mayor Ann Ferguson has represented the Southern and Hills Region at the Local Government Association State Board meetings as the region's Delegate, and Kangaroo Island Mayor, Jane Bates has acted as proxy delegate.

Resources

The continuation of the capacity building grant from the Local Government Research and Development Scheme has consolidated the capacity of the Executive Officer that has been applied across a range of Association activities during the year.

Part of the additional capacity has supported the administrative processes around the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, involvement with SAROC and various reports and submissions throughout the year.

Mr Graeme Martin, Director of Grange Advisors Pty Ltd has provided Executive Officer services to the Association under a contract services agreement for the period 2013 - 2014.

Acronyms

AMLNRNM.....	Adelaide and Mt Lofty Ranges Natural Resources Management Board
CEO.....	Chief Executive Officer
CWMS.....	Community Wastewater Management Systems
DEWNR.....	Department of Environment, Water & Natural Resources
EO.....	Executive Officer
ESCOSA.....	Essential Services Commission of South Australia
LGA.....	Local Government Association
MOU.....	Memorandum of Understanding
NBN.....	National Broadband Network
NRM.....	Natural Resources Management
RDA.....	Regional Development Australia
SAROC.....	South Australian Regional Organisation of Councils
SEB.....	Significant Environmental Benefits
S&HLGA.....	Southern and Hills Local Government Association
SLRP.....	Special Local Roads Program

SUMMARY FINANCIAL STATEMENTS**For the Year Ending 30th June 2014**

	2014	2013
	\$	\$
Income		
Subscriptions	98,423	70,000
Operating Grants	37,225	36,424
Investment Income	1,988	2,566
Other	19,269	284
	<hr/>	<hr/>
Total Income	156,905	109,558
Expenditure		
Contractual Services	128,575	102,124
Finance Charges	3,588	3,203
Other	15,790	18,182
	<hr/>	<hr/>
Total Expenditure	147,953	123,509
Surplus (Deficit) from Operations	<hr/>	<hr/>
	8,953	(13,951)
	<hr/>	<hr/>
	\$	\$
Current Assets		
Investments	59,548	45,614
Debtors	3,721	3,397
	<hr/>	<hr/>
Total Current Assets	63,269	49,011
Current Liabilities		
Accounts Payable	18,398	13,094
	<hr/>	<hr/>
Total Current Liabilities	18,398	13,094
	<hr/>	<hr/>
Net Current Assets	44,871	35,917
	<hr/>	<hr/>
Net Assets	<hr/>	<hr/>
	44,871	35,918
	<hr/>	<hr/>
Equity		
Accumulated Surplus	44,871	35,918
	<hr/>	<hr/>
Total Equity	44,871	35,918
	<hr/>	<hr/>



SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Constituent Councils

Adelaide Hills Council
Alexandrina Council
The Barossa Council
Kangaroo Island Council
District Council of Mount Barker
City of Victor Harbor
District Council of Yankalilla

S&HLGA KEY ACTION PLAN

2013 - 2014

Address: 13 Ringmer Dr. Burnside, South Australia 5066
Telephone: (08) 7122 4348
Mobile: 0418 502 311
Email: graeme@shlga.sa.gov.au
Web Site: www.shlga.sa.gov.au

The Business Plan 2013 – 2014 prepared in accordance with Clause 18 of the Charter, and to comply with Clause 24 of Schedule 2 of the Local Government Act 1999, was adopted on 21 June 2013. The Business Plan should be read in conjunction with the Budgets 2013 – 2014, 2014 – 2015, 2015 - 2016 and 2016 - 2017 that provides the resources for the Plan.

An Annual Key Actions Plan is prepared based on a framework of the Business Plan that incorporates the Key Issues identified by the Councils and the Executive Officer in various Board meetings and forums during the preceding period. The Key Actions Plan is the framework for review and reporting against the Business Plan.

This report format will facilitate the reviews required by Clause 18.3 of the Charter to be conducted by the Board during the course of the year.

The Executive Officer will report to Ordinary Board meetings against the following criteria

1. To keep maintained the business office of the Authority
2. To prepare the Business Plan, Budgets and reports in a timely manner
3. To liaise with Councils, and Stakeholders to foster the outcomes of the Business Plan
4. To attend all meetings of the Authority, to prepare agendas, minutes and correspondence as required.

AND against recognised and documented success indicators (Key Performance Outcome KPO, Key Performance Indicator, KPI).

Business Plan	Action Plan 2013 - 2014		Success Indicators Action Plan 2013		Achievements
Objective	Key Actions	Performance Targets	KPO	KPI	
1. <i>To provide leadership and advocacy for Member Councils on regional issues.</i>	Bi-Monthly Meetings to focus on Local Government issues that support Councils to achieve their Business Plan outcomes by: <ul style="list-style-type: none"> ○ Meetings to include presentations, workshops and forums on Key Issues Respond as necessary to State and Federal Government Policies which impact on the region	<input checked="" type="checkbox"/> Strategies that give priority to S&HLGA issues <input checked="" type="checkbox"/> Satisfaction data on the meeting format, speakers <input checked="" type="checkbox"/> Number of policy responses	To maintain a vibrant responsive format for the S&HLGA Board	Key issues are addressed and format of meetings constantly meet the needs of the Association's members.	1. Responded to Commonwealth FAGs review August 2013
2. <i>To promote & market the Southern & Hills Local Government Association</i>	Ensure the new website is current and marketed appropriately	<input checked="" type="checkbox"/> Update the website as required and review <input checked="" type="checkbox"/> Upgrade the logo to incorporate appropriate State Branding	Maintain an informative, current and appealing S&HLGA website		1. Updated logo presented to Board Dec 6 th 2013
	To provide sound financial management and manage resources effectively	<input checked="" type="checkbox"/> To prepare annual Budget and review as required	To manage the financial affairs within budget and to prepare reporting within the required timeframes. Business Plan objectives and actions are addressed.	Budget is maintained and reports meet timelines. Objectives and actions within Business Plan have been addressed meeting agreed to timelines.	1. Actual v Budget performance reviewed each Bi monthly S&HLGA Board meeting. 2. Annual External Audit commenced July 2013 3. Audit completed and Annual Report completed & distributed 13 Sept 2013

Business Plan	Action Plan 2013 - 2014		Success Indicators Action Plan 2013		Achievements
Objective	Key Actions	Performance Targets	KPO	KPI	
	<ul style="list-style-type: none"> ○ CEO's to inform EO of issues for each meeting ○ Stakeholders to inform EO of issues for each meeting ○ Strengthen interaction with State government and opposition MP's 	<ul style="list-style-type: none"> ☑ Activate the CEO's forum 		<p>CEO meeting recommendations and feedback.</p> <p>Management of key stakeholder relationships with the S&HLGA Board</p> <p>Key Stakeholder feedback and Board satisfaction</p>	<p>1. CEO meeting prior to S&HLGA Board meetings</p> <p>1. Key Stakeholders present at each Board meeting</p> <p>2. Invitation issued to new Regional Development Minister Geoff Brock April 2014</p>
	<ul style="list-style-type: none"> ○ Regional issues to be raised with LGA through SAROC 	<ul style="list-style-type: none"> ☑ Number of issues raised with LGA / SAROC / Agencies ☑ Number of LGA/SAROC Task groups and Committees involved in 			<p>1. NV report presented to SAROC meeting 11 Sept 2013</p> <p>2. Updated NV report presented to SAROC meeting 19 March 2014</p> <p>3. Attended LGA workshop on Expert Panel report on "Council of the Future"</p> <p>1. Regional Airports Committee membership</p> <p>2. Attendance at joint AAA SA/Vic meeting 12/3/14</p>

Business Plan	Action Plan 2013 - 2014		Success Indicators Action Plan 2013	Achievements
Objective	Key Actions	Performance Targets	KPO KPI	
2. <i>To support sustainable economic, environmental, & social development in the region</i>	Environment In co-operation with adjoining regions support the adoption of the Individual Member Council/ NRM MoUs <ul style="list-style-type: none"> Rollout one additional MoU with one member Council and one of the other regional NRMs Review current operational plans Agree and commence the process for a regional Climate Change Vulnerability Assessment and/or Climate change adaptation study Support LGA review of the current NRM model 	<input checked="" type="checkbox"/> Signing of new additional MoU. <input checked="" type="checkbox"/> Formal Board Report on existing Operational plan <input checked="" type="checkbox"/> Recommendation and regional study commenced		1. LGA NRM survey completed 1. Consultant quote to undertake the study received July 2013. 2. Management Committee formed in partnership with RDA, DEWNR 3. Consultant appointed Sept 2013 4. Stage 2 funding application submitted by RDA May 2014 1. LGA options paper on NRM available for comment Feb 2014
	research Explore (with the LGA) research and /or pilot programs for the Region.	<input checked="" type="checkbox"/> Successful Research applications or projects facilitated in the region		1. KI successful applicant to the LGA Video Conferencing Pilot study 2. Peri Urban Research project request submitted April 2014

Business Plan	Action Plan 2013 - 2014		Success Indicators Action Plan 2013	Achievements
Objective	Key Actions	Performance Targets	KPO KPI	
	Health Undertake a regional Health Plan in accordance with the State Public Health Plan	<input checked="" type="checkbox"/> Completed Regional Health Plan		1. Working Party meeting 30 July 2013. 2. Consultant brief completed 24 Sept 2013 3. Consultant appointed Nov 2013 4. Draft Regional snapshot produced March 2014 5. Stakeholder Consultations completed April 2014
	Regional Development Review LG involvement and contributions in the RDA	<input checked="" type="checkbox"/> Signed contract with the RDA with agreed contribution levels and regional KPI's	Key Stakeholder feedback and Council satisfaction	1. New LG contract with agreed LG KPIs and contributions formulated with RDA and distributed August 2013.

Business Plan	Action Plan 2013 - 2014		Success Indicators Action Plan 2013		Achievements
Objective	Key Actions	Performance Targets	KPO	KPI	
3. <i>To improve infrastructure to meet the community's needs.</i>	Transport Review and update S&HLGA 2020 Transport Plan.	<input checked="" type="checkbox"/> Completed review of 2020 Transport Plan	To update the 2020 Roads Database Report to provide the reference for the 2014 round of SLRP project recommendations .	Roads Database Report is updated and meeting critical timelines. This provides a reference for the 2014 SLRP recommendations for 2015 funding The review of the 2020 Transport Study provides the basis of a regional infrastructure plan.	1. HDS quote submitted July 2013 and accepted 2. Deficient Roads template and guidelines issued to each Council July 2013 3. Workshop on proposed DPTI "Integrated Transport & Land use Strategy – ITLUS" conducted May 30 4. Presentation ITLUS draft Nov 19 5. Completed Deficient Roads template and new regional priority list developed March 2014 6. SLRP 2014-15 Funding applications submitted 30/4/14 1. NBN workshop attended 21 Aug 2013 2. Blackspot funding submission via LGA Feb 2014
	Waste Activate the CWMS user group	<input checked="" type="checkbox"/> Documented CWMS meetings and outcomes			
	Review existing Regional Waste Management arrangements and support LGA review of waste levy management and projects	<input checked="" type="checkbox"/> Waste management report presented to the Board and/or Regional Forum conducted			
	Telecommunication Lobby for equitable access for the region for digital technology including broadband upgrades and mobile coverage				

Business Plan	Action Plan 2013 - 2014		Success Indicators Action Plan 2013		Achievements
Objective	Key Actions	Performance Targets	KPO	KPI	
4. <i>To strengthen the capacity of the Association to meet its service obligations.</i>	The Executive Officer to work with the Council CEO's, LGA and Key Stakeholders to explore identified opportunities to share resources that will build capacity in the region and its networks by establishing Task Group/s	<input checked="" type="checkbox"/> LGA Regional Capacity Building Grant successfully applied for <input checked="" type="checkbox"/> Formation of Shared Services Task Group and the implementation of shared services			1. LGA Regional Capability grant invoice submitted 3 August 2013 2. Acquittal form for 2012-2013 submitted 5 August 3. LGA Regional Capability grant received 20 Sept 2013
	Review the membership base of the S&HLGA and explore the possibility of a Peri Urban Region or identify additional members			Issues have been identified, investigations into a Peri Urban Region has been completed and reported back to S&HLGA Board, including recommendations.	1. Discussions commenced with Central Region EO in Feb 2014 regarding possible boundary realignments and membership review.
	Support the LG Business Partner Program which promotes Long term financial sustainability of Councils	<input checked="" type="checkbox"/> Workshop participation and Progress and Outcome Reports to the Board			1. Workshops under Terry Bruun continuing
	Explore the opportunities of boosting the regional tourism activity and yields	<input checked="" type="checkbox"/> Review of regional tourism delivery, marketing and product <input checked="" type="checkbox"/> Facilitate an inter-government planning forum with a tourism theme for the region			1. Investment Planning day with RDA conducted 20 th Feb on KI

9th September 2014

The Board
Southern & Hills Local Government Association
C/- Mr G Martin
Executive Officer
13 Ringmer Drive
BURNSIDE SA 5066

Dear Graeme and Board Members

**STATEMENT OF AUDITORS INDEPENDENCE
ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2014**

In accordance with Regulation 22(5) Local Government (Financial Management) Regulation 2011 and the Local Government Act 1999, we confirm that, for the audit of the financial statements of Southern and Hills Local Government Association for the year ended 30 June 2014 we have maintained our 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



TREVOR D HIRTH
HLB Mann Judd

Dated this



day of

 2014

HLB Mann Judd (SA Partnership) ABN: 22 640 925 071

169 Fullarton Road, Dulwich SA | Telephone +61 (0)8 8133 5000 | Facsimile +61 (0)8 8431 3502

Postal: PO Box 377, Kent Town SA 5071

HLB Mann Judd (SA Partnership) is a member of  international. A world-wide organisation of accounting firms and business advisers.

Liability limited by a scheme approved under Professional Standards Legislation

**SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION
INDEPENDENT AUDITOR'S REPORT**

To the constituent councils of the Southern & Hills Local Government Association:

We have audited the accompanying financial report of Southern & Hills Local Government Association, which comprises the balance sheet as at 30 June 2014, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Board's responsibility for the Financial Report

The board of the association 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 (Regulations) made under that Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Report that is free from material misstatement, whether due to fraud or error selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Southern & Hills Local Government Association, as well as evaluating the overall presentation of the financial report.

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

**SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION
INDEPENDENT AUDITOR'S REPORT (continued)**

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Local Government Act and Regulations.

Auditor's Opinion

In our opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of Southern & Hills Local Government Association as at 30 June 2014 and its financial performance and its cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 and Regulations.



HLB Mann Judd
Chartered Accountants



Trevor Hirth
Partner

Adelaide, South Australia
 **September 2014**

Southern & Hills Local Government Association

Report to the Members of the Board and Audit Committee

Year ended 30 June 2014

■ Your Business | Our Specialty ■



Accountants | Business and Financial Advisers

Contents

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2. Significant Accounting and Auditing Issues.....	4
3. Specific matter to be reported to those charged with governance	4
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1. Audit Overview

1.1 Purpose

The purpose of this closing report is to communicate any significant matters arising from our audit with the Board. The matters raised in this report have been discussed with management.

1.2 Scope

We conducted our audit of the financial report of Southern & Hills Local Government Association for the year ended 30 June 2014 in accordance with the terms of our engagement and with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement.

1.3 Status

We have completed the audit including the following which were required in order to finalise the audit:

Matter	Responsibility
Management Representation letter	Management completed 2.9.2014
Signed Financial Statements for the year ended 30 June 2014	Pending - <i>SINCE RECEIVED</i>
Statement of Auditors Independence	Pending - <i>ATTACHED</i>
Independent Auditors Report	Pending - <i>ATTACHED</i>

1.4 Access and co-operation

We can confirm that we were not restricted in any way from being able to perform our audit and were provided with access to all information when requested. We would like to express our thanks to the Executive Officer Graeme Martin for his co-operation and assistance.

1.5 Audit opinion

Subject to receiving the signed statement, an unqualified audit report will be issued for the year ended 30 June 2014.

1.6 Disclaimer

Other than our responsibility to the Board of Southern & Hills Local Government Association ("the Association") neither HLB Mann Judd nor any member or employee of HLB Mann Judd undertakes responsibility arising in any way from reliance placed by a third party, on this report. Any reliance placed is that party's sole responsibility.

Our report is for the sole use of the Association and is not to be used by any other person for any other purpose and may not be distributed, duplicated, quoted, referred to, in whole or in part, without our prior written consent.

2. Significant Accounting and Auditing Issues

Any matters raised during the course of our audit, were considered and discussed with management and appropriate action was taken by management to resolve any issues.

2.1 Accounting and Financial Statements

We again assisted the Executive Officer with balancing the financial statements and the Cashflow Statement, assisting with the finalisation of the financial statements for the year ended 30th June 2014 and updating to the General Purpose presentation. We understand that a new system has been adopted from 1st July 2014.

2.2 Audit Committee and Internal Control

We continue to note that the Minister confirmed by letter on the 27th July 2012 that a further exemption from the requirement to establish an audit committee under Regulation 18 of the Local Government (Financial Management) Regulation 2011 was granted until 30th June 2016.

3. Specific matters to be reported to those charged with governance

3.1 Independence and ethics

All partners and staff on the Southern & Hills Local Government Association ("the Association") audit engagement team have confirmed that they have been independent for the year ended 30 June 2014.

Furthermore, audit engagement team members have confirmed their compliance with the ethical requirements of APES 110 Code of Ethics for Professional Accountants.

Regulation 22(5) of the Local Government (Financial Management) Regulation 2011 required the independent auditor to make a declaration to the Board and Audit Committee Members regarding their independence.

HLB Mann Judd's policies relating to financial interests with audit clients (loans, shares in the client or share investments) are more stringent than the requirements imposed by the regulatory and professional bodies.

Specifically we represent to you:

- There are no business interests between the Association and HLB Mann Judd.
- No portion of fees paid by the company to HLB Mann Judd is paid on a contingency basis.
- There is no litigation between the company and HLB Mann Judd.
- We are satisfied that the policies and procedures we have in place adequately address any conflicts of interest.

3.2 Audit Considerations in relation to Fraud

Under Australian Auditing Standard ASA 240, The Auditors' Responsibility to Consider Fraud in an Audit of a Financial Report, the auditor is responsible for planning and performing the audit to obtain reasonable assurance about whether the financial report is free of material misstatements as a result of fraud or error.

Management have a responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the financial report.

While our audit work during the year was not primarily directed towards the detection of fraud, as part of our annual procedures, we consider the following:

- likelihood of material misstatements arising from fraudulent financial reporting or omissions of amounts of disclosures designed to deceive financial statement users; and
- likelihood of material misstatements arising from misappropriation of assets involving theft and embezzlement of assets.

As a result of the above procedures, we have not become aware of any instances of fraud or non compliance with legislative, regulatory or contractual requirements, which have come to our attention during our procedures.

3.3 Other Matters

Apart from any issues detailed in section 2, we confirm that:

- We noted no errors or irregularities that would cause the financial report to contain a material misstatement, and noted no apparent illegal acts.
- There were no difficulties encountered in dealing with management relating to the performance of the audit.
- The accounting policies selected by the Association are appropriate to the particular circumstances of the Association.
- There are no financial report disclosures issues that we wish to bring to your attention.
- We are not aware of any significant unusual transactions in controversial or emerging areas for which there is a lack of authoritative accounting guidance or consensus.
- We are not aware of any material inconsistencies or material misstatements of fact in information accompanying the financial report that have been corrected.
- We are not aware of any significant matters arising during the audit in connection with the Association's related parties

4. Internal Control Findings

During the course of our audit for the year ended 30 June 2014, we obtained an understanding of the Association's internal control structure and procedures sufficient to allow us to determine our audit procedures for the purpose of expressing our opinion on the financial report.

Our consideration of the control structure and procedures would not necessarily disclose all material weaknesses, as our audit is based on selective tests of accounting records and supporting data, and is not intended to provide specific assurance on the internal control structure.

Subject to earlier comments in this report we have not identified any significant matters that warrant the attention of management or the Board in this area.

Meanwhile management and the Board are required to closely monitor the internal controls in the future in view of the changes made to the Regulations, with an obligation to report from 1st July 2014 for the 2014/2015 year.

H L B Phanna Tva

Trevor Hirth

**TREVOR HIRTH
PARTNER**

g h

September 2014

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION
FINANCIAL STATEMENTS

Statement of Comprehensive Income for the Year Ending
30th June 2014

		2014	2013
	Notes	\$	\$
Income			
Subscriptions	1.8	98,423	70,000
Operating Grants		37,225	36,424
Investment Income	1.7	1,988	2,566
Other		19,269	284
		<hr/>	<hr/>
Total Income		156,905	109,558
Expenditure			
Contractual Services	3	128,575	102,124
Finance Charges		3,588	3,203
Other		15,790	18,182
		<hr/>	<hr/>
Total Expenditure		147,953	123,509
		<hr/>	<hr/>
Surplus (Deficit) from Operations		8,953	(13,951)

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Balance Sheet as at 30th June 2014

		2014	2013
	Notes	\$	\$
Current Assets			
Investments		59,548	45,614
Debtors		3,721	3,397
Total Current Assets		<u>63,269</u>	<u>49,011</u>
Current Liabilities			
Accounts Payable		18,398	13,094
Total Current Liabilities		<u>18,398</u>	<u>13,094</u>
Net Current Assets		<u>44,871</u>	<u>35,917</u>
Net Assets	1.4	<u>44,871</u>	<u>35,918</u>
Equity			
Accumulated Surplus		<u>44,871</u>	<u>35,918</u>
Total Equity		<u>44,871</u>	<u>35,918</u>

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 30th June 2014

	2014	2013
Notes	\$	\$
Accumulated Surplus		
Balance at beginning of period	35,918	49,869
Net Surplus / (Deficit)	8,953	(13,951)
Balance at end of period	44,871	35,918
Total Equity	44,871	35,918

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 30th June 2014

	2014	2013
Notes	\$	\$
Cash Flows from Operating Activities		
Receipts	176,348	125,717
Payments	(164,401)	(143,481)
Interest Receipts	1,988	3,134
	<hr/>	<hr/>
Net Cash Provided by (Used in) Operating Activities	13,935	(14,630)
	<hr/>	<hr/>
Net increase in Cash Held	<hr/> 13,935	<hr/> (14,630)
Cash at the beginning of the reporting period	45,613	60,243
	<hr/>	<hr/>
Cash at the end of the reporting period	59,548	45,613
	<hr/>	<hr/>

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

Reconciliation of Change in Net Assets to Cash from operating activities

	2014
	\$
Net Surplus	8,953
Less	
Net Increase in Debtors	324
Add	
Net Increase in Accounts Payable	5,306
	<hr/>
Net Cash provided by Operating Activities	13,935
	<hr/>

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

Note 1 - Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies subject to the changing from special purpose to general purpose accounts, 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, The Barossa Council, Kangaroo Island Council, District Council of Mt Barker, 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 no employees.

1.7 Investments

Investments are valued at cost. Interest revenues are recognized as they accrue.

1.8 Subscriptions

Clause 6 of the Charter of the Association prescribes that subscriptions by Constituent Councils are equal.

Constituent Council Subscription 2014	\$10,000
Constituent Council Subscription 2013	\$10,000

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.
- Transport and Communication:** The review and implementation of the S&H 2020 Transport Plan.

Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

Administration

Year	Revenue			%	Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue		Expenses Total	%	
2014	37,225	84,180	121,405	77.4%	117,777	79.6%	3,628
2013	36,424	73,134	109,558	100.0%	119,785	96.9%	(10,227)

Projects

2014	0	18,000	18,000	11.5%	22,000	14.9%	(4,000)
2013	0	0	0	0%	0	0	0

Transport and Communication

2014	0	17,500	17,500	11.1%	8,175	5.5%	9,325
2013	0	0	0	0%	3,724	3.1%	(3,724)

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Year	Revenue				Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue		Expenses Total	%	
Total							
2014	37,225	119,680	156,905	100.0%	147,953	100.0%	8,953
2013	36,424	73,134	109,558	100.0%	123,509	100.0%	(13,951)

3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

	2014	2013
Consultants:		
Suter Planners	\$22,000	\$0
Grange Advisors Pty Ltd	\$98,400	\$98,400
HDS Australia Pty Ltd	\$8,175	\$3,724
Totals	\$128,575	\$102,124

4. Comparison of Budget and Actual Results


	2014		2013	
	Budget \$	Actual \$	Budget \$	Actual \$
Revenue				
Administration	119,257	121,405	109,505	109,558
Projects	20,500	18,000	0	0
Transport and Communication	17,500	17,500	0	0
Total Revenue	157,257	156,905	109,505	109,558
Expenditure				
Administration	116,933	117,777	113,850	119,785
Projects	30,000	22,000	500	0
Transport and Communication	17,500	8,175	750	3,724
Total Expenditure	164,433	147,952	115,100	123,509
Surplus (Deficit)	(7,176)	8,953	(5,595)	(13,951)

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 2013 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 30th August 2014



Graeme Martin
EXECUTIVE OFFICER



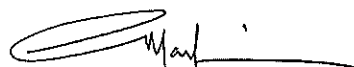
Mayor Ann Ferguson
PRESIDENT

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 2014, 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 30th August 2014



Graeme Martin
EXECUTIVE OFFICER



Mayor Ann Ferguson
PRESIDENT

ADELAIDE HILLS REGION
WASTE MANAGEMENT AUTHORITY

Annual Report 2013/ 2014



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY



Cr. Barry Laubsch – Chair AHRWMA

“The Charter of the Authority envisages the Regional Subsidiary coordinating waste management on behalf of its Member Councils. The independently-resourced Authority is now able to evaluate all waste services throughout the region and determine where it can add value to Member Councils by applying a resource sharing model.

This has again been a demanding year. We have successfully completed the relocation of our landfill operations from Hartley to the Brinkley Landfill site with the establishment of new supporting infrastructure. The Authority has also been addressing issues in the form of substantial discounting of commercial tonnes and a legal challenge from private competitor Southern Waste ResourceCo.

The road ahead is still challenging however, with the continued support and commitment from Member Councils the future should be rewarding and return significant benefits to our Member Councils and their communities.

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

THE BOARD

District Council of Mt Barker



Lyn Stokes (Deputy Chairperson)
Councillor



David Peters
GM, Corporate Services



Simon Westwood
Councillor
Deputy Board Member

Alexandrina Council



Simon Grenfell
GM, Engineering & Open Space



Alan Oliver
Councillor



Madeleine Walker
Councillor
Deputy Board Member

Adelaide Hills Council



Ian Bailey
Councillor



Andrew Aitken
Chief Executive Officer



Marc Salver
Deputy Board Member

Rural City of Murray Bridge



Peter Bond
Chief Executive Officer



Barry Laubsch (Chairperson)
Councillor



Bob England
Councillor
Deputy Board Member

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

THE VISION

"Sustainable Waste Management through Shared Services for the communities of Adelaide Hills, Alexandrina, Mt Barker and Murray Bridge".

THE MISSION

- *To meet the Zero Waste SA 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 model regional landfill that provides the most cost effective disposal option for Member 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:

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

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

SUMMARY OF 2013-14

Some of the highlights for this year include:

- The first full year of the Authority's Audit Committee through what was a very crucial period. We recognise the incredibly valuable role played by our former Independent Chair the Late Allen Bolaffi.
- Following several proposals from Southern Waste ResourceCo the Authority and Member Councils have had to re-evaluate the purpose and benefits of the Authority. The Authority Board and Member Councils have indicated their commitment to the AHRWMA's Long Term Financial Plan and its goals.
- Construction and approval of new Brinkley Cell 6A Stage 2
- Installation and commissioning of new transportable building facilities for the Brinkley Landfill and Transfer Station operations
- With a new e-waste agreement in place at Mount Barker's Windmill Hill Transfer Station free e-waste services are now in place across the region.
- Continued consultancy service role offered and provided to Member Councils
- Preparation for the release of a combined collection tender for the Rural City of Murray Bridge, District Council of Mount Barker and Adelaide Hills Council.
- The arrival and commencement of operations of the Authority's crushing plant part funded by ZerowasteSA.
- The new sorting and baling plant, part funded by ZerowasteSA, commenced operations at the Brinkley Transfer Station. To date approximately 1500 tonnes of cardboard, paper and plastics have been diverted from landfill and baled and supplied into the recyclables market. A mobile baling plant has also been commissioned for use across the region.
- A review and update of our Work Health and Safety procedures was undertaken using the LGA model and templates
- A review of the Authority's current financial controls was undertaken by UHY Haines Norton using the LGA Better Practice Model as a guide. This process involved several workshop with key staff within the organisation to outline our current practices and policies and to identify areas where further improvement could be undertaken to reduce risk
- The Heathfield Transfer Station has seen performance improve from a pre Authority net loss position of approximately \$233,000 to \$170,000 in its first year to a position of \$95,000 net loss this year after adjustments for a special concrete

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

crushing project and some minor site fencing and safety rail works. This is a further improvement of \$75,000 per annum. The concrete crushing project produced approximately 11,000 tonnes of recycled select rubble which was used by Adelaide Hills Council for road works. The next year should see a further improvement in the net operating position as new construction and demolition recycling services are bedded down.

- The Brinkley Transfer Station has seen performance improved from \$167,000 in the Authority's first year of operation to \$70,000 per annum net loss to the current position of approximately \$10,000 net loss after adjustments for unbudgeted costs associated with disposal of street sweepings.
- The Brinkley Landfill processed 32,362 tonnes of waste which was approximately 8,000 tonnes below target due to intense competition. This resulted in landfill income being approximately \$750,000 below budget over the full year. Our LTFP has been further reviewed to take into account these effects.



Construction & Demolition Resource



Baling Cardboard and Plastics for Recycling



Sorting Plant and Brinkley for Cardboards and Plastics

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY



New Weighbridge Processing System
installed at Windmill Hill Transfer



New Facilities at Brinkley Landfill and Transfer



New Mobile Baling Plant for Cardboard and Plastics

Adelaide Hills Region Waste Management Authority

General Purpose Financial Reports for the year ended 30 June 2014

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Adelaide Hills Region Waste Management Authority

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2014

	Notes	2014 \$	2013 \$
INCOME			
User charges	2	2,262,588	2,764,174
Investment income	2	3,242	8,342
Other income	2	1,819,189	1,732,842
Total Income		<u>4,085,019</u>	<u>4,505,358</u>
EXPENSES			
Employee costs	3	840,452	680,702
Materials, contracts & other expenses	3	2,979,455	3,268,046
Depreciation, amortisation & impairment	3	652,737	502,681
Finance costs	3	9,488	9,641
Total Expenses		<u>4,482,132</u>	<u>4,461,070</u>
OPERATING SURPLUS / (DEFICIT)		(397,113)	44,288
Asset disposal & fair value adjustments	4	(7,079)	963,597
Amounts received specifically for new or upgraded assets	2	-	168,000
NET SURPLUS / (DEFICIT)		(404,192)	1,175,885
transferred to Equity Statement			
TOTAL COMPREHENSIVE INCOME		<u>(404,192)</u>	<u>1,175,885</u>

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

Adelaide Hills Region Waste Management Authority

STATEMENT OF FINANCIAL POSITION as at 30 June 2014

	Notes	2014 \$	2013 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	192,437	946,957
Trade & other receivables	5	629,817	298,499
Inventories	5	12,689	14,908
Total Current Assets		834,943	1,260,364
Non-current Assets			
Infrastructure, Property, Plant & Equipment	6	3,371,647	2,681,570
Total Non-current Assets		3,371,647	2,681,570
Total Assets		4,206,590	3,941,934
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	582,290	681,654
Provisions	7	70,115	65,843
Total Current Liabilities		652,405	747,497
Non-current Liabilities			
Borrowings	7	427,000	-
Provisions	7	910,851	573,911
Total Non-current Liabilities		1,337,851	573,911
Total Liabilities		1,990,256	1,321,408
NET ASSETS		2,216,334	2,620,526
EQUITY			
Accumulated Surplus	8	2,216,334	2,620,526
TOTAL EQUITY		2,216,334	2,620,526

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 2014

		Accumulated Surplus	TOTAL EQUITY
2014	Notes	\$	\$
Balance at end of previous reporting period		<u>2,620,526</u>	<u>2,620,526</u>
Restated opening balance		2,620,526	2,620,526
Net Surplus / (Deficit) for Year		<u>(404,192)</u>	<u>(404,192)</u>
Balance at end of period		<u>2,216,334</u>	<u>2,216,334</u>
2013			
Balance at end of previous reporting period		1,594,641	1,594,641
Distribution to Councils		(150,000)	(150,000)
Net Surplus / (Deficit) for Year		<u>1,175,885</u>	<u>1,175,885</u>
Balance at end of period		<u>2,620,526</u>	<u>2,620,526</u>

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

Adelaide Hills Region Waste Management Authority

STATEMENT OF CASH FLOWS

for the year ended 30 June 2014

		2014	2013
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES	Notes		
<u>Receipts</u>			
Operating receipts		4,183,198	5,224,870
Investment receipts		7,826	3,704
<u>Payments</u>			
Operating payments to suppliers & employees		(4,330,162)	(4,270,267)
Finance payments		(9,488)	(9,641)
Net Cash provided by (or used in) Operating Activities	10	(148,627)	948,666
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		-	168,000
Sale of replaced assets		44,902	900,000
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(134,861)	(5,286)
Expenditure on new/upgraded assets		(942,934)	(1,378,323)
Net Cash provided by (or used in) Investing Activities		(1,032,893)	(315,609)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings		427,000	-
<u>Payments</u>			
Repayments of Borrowings		-	(200,000)
Net Cash provided by (or used in) Financing Activities		427,000	(200,000)
Net Increase (Decrease) in cash held		(754,520)	433,057
Cash & cash equivalents at beginning of period	10	946,957	513,900
Cash & cash equivalents at end of period	10	192,437	946,957

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 2014

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 equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) 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, The District Council of Mt Barker 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 judgment 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, and has its principal place of business at c/- of The District Council of Mt Barker, 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.

Where grants, contributions and donations recognised as income during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as income in a previous reporting period which were obtained in respect of the Authority's operations for the current reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 1 - Significant Accounting Policies (cont)

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 11.

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.

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost.

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

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

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 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
Road Construction & Reconstruction	\$10,000
Paving & Footpaths, Kerb & Gutter	\$2,000

6.3 Subsequent Recognition

Certain asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 1 - Significant Accounting Policies (cont)

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 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 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.

<u>Plant, Furniture & Equipment</u>	
Office Equipment	5 years
Other Plant & Equipment	5 years
 <u>Infrastructure</u>	
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 construction expenditure for this year has been capitalised and will be amortised over the estimated life of the cell. Any further expenditure on the cell to complete its useful life will be amortised over that remaining life.

6.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for 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 outflows or value in use).

For 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 the Authority were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

6.6 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 1023. 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 1 - Significant Accounting Policies (cont)

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". 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.

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 to its employees to the Local Government Superannuation Scheme. The scheme has two types of membership, each of which is funded differently. The Authority's employees are only members of the accumulated fund.

Accumulated fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (9.25% in 2013/14; 9% in 2012/13). No further liability accrues to the employer as the superannuation benefits accruing to the employees are represented by their share of the net assets of the Fund.

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

10 Construction Contracts

Construction works undertaken by Authority for third parties are generally on an agency basis where the third party reimburses the Authority for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

11 Joint Ventures and Associated Entities

The Authority does not have or participates in cooperative arrangements with other Councils for the provision of services and facilities.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 1 - Significant Accounting Policies (cont)

12 Leases

The Authority does not have any leases.

13 GST Implications

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

- Receivables and Creditors include GST receivable and payable.
- 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.

14 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2014 reporting period and have not been used in preparing these reports.

The Authority is of the view that none of the new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

15 Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

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.

16 Carbon

From 1 July 2012 a new tax on emissions of certain 'greenhouse' gases commenced operation. The Authority operates a landfill facility which emits, and will continue to emit gases of this type. Information currently available provides assurances that 'legacy emissions' from garbage placed in landfills prior to the commencement of the tax will not become liable to the tax.

As at the time of preparing the Financial Statements, the Carbon Tax was abolished on 17 July 2014 with it being effective as from 1 July 2014. As greenhouse emissions from the landfill site prior to 1 July 2014 did not exceed minimum levels to cause the Authority to be liable to pay a tax, there is therefore no liability for this tax to be recorded.

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 2 - INCOME

	Notes	2014 \$	2013 \$
USER CHARGES			
Waste disposal fee - Adelaide Hills Council		721,008	611,595
Waste disposal fee - Alexandrina Council		42,109	106,916
Waste disposal fee - District Council of Mt Barker		453,109	307,380
Waste disposal fee - Rural City of Murray Bridge		352,142	280,676
Waste disposal fee - Other Customers		694,220	1,457,607
		<u>2,262,588</u>	<u>2,764,174</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		3,242	8,342
		<u>3,242</u>	<u>8,342</u>
OTHER INCOME			
Consultancy service		84,069	100,280
Waste officer contribution		144,474	113,520
Waste Transfer Station Income		996,923	929,158
Waste Transfer Station Management		246,824	182,124
Transport Income		124,364	136,975
Fuel Tax Rebate		38,393	39,486
Machinery Charge Out		155,905	176,738
Recycled Income		3,878	26,335
Select Fill Sales		-	829
Sundry		24,359	27,397
		<u>1,819,189</u>	<u>1,732,842</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		-	168,000
		<u>-</u>	<u>168,000</u>
Sources of grants			
Commonwealth government		-	-
State government		-	168,000
Other		-	-
		<u>-</u>	<u>168,000</u>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 3 - EXPENSES

	Notes	2014 \$	2013 \$
EMPLOYEE COSTS			
Salaries and Wages		635,310	519,341
Employee leave expense		80,992	58,272
Superannuation		60,879	47,745
Workers' Compensation Insurance		19,133	17,774
Other		44,138	37,570
Total Operating Employee Costs		840,452	680,702
Total Number of Employees		10	8
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		3,270	2,900
<u>Other Materials, Contracts & Expenses</u>			
Contractors		276,728	526,276
Waste Transfer Station Expenses		849,451	727,673
Repairs and Maintenance		213,781	215,600
Leachate Monitoring/Pumping		495	5,721
Research and Development		17,883	18,184
Administration and Accountancy Service		45,146	78,182
EPA Waste Levy		892,682	980,047
EPA Licence Fees		7,057	14,673
Royalty To Landowners/Lease		62,781	45,770
Insurance and Legal		118,952	103,993
Professional Services		325,173	357,345
Parts, accessories & consumables		161,840	190,055
Sundry		4,216	1,627
Subtotal - Other Materials, Contracts & Expenses		2,976,185	3,265,146
		2,979,455	3,268,046

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 3 - EXPENSES (cont)

	Notes	2014 \$	2013 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Road Infrastructure		5,178	2,277
Buildings		14,844	18,391
Vehicles		22,722	25,557
Plant & Equipment		305,623	169,715
Landfill Cells		159,941	150,195
Leachate Ponds		4,464	19,820
Landfill Rehabilitation		59,632	116,726
Landfill Cell Capping		80,333	-
		<u>652,737</u>	<u>502,681</u>
FINANCE COSTS			
Interest on overdraft and short-term drawdown		9,488	9,641
Interest on Loans		-	-
		<u>9,488</u>	<u>9,641</u>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2014 \$	2013 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		44,902	900,000
Less: Carrying amount of assets sold		78,782	2,723,915
Add: Derecognition of related liabilities		26,801	2,787,512
Gain (Loss) on disposal		<u>(7,079)</u>	<u>963,597</u>
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		 <u>(7,079)</u>	 <u>963,597</u>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 5 - CURRENT ASSETS

	2014	2013
CASH & EQUIVALENT ASSETS	\$	\$
Cash on Hand and at Bank	183,907	343,639
Deposits at Call	<u>8,530</u>	<u>603,318</u>
	<u>192,437</u>	<u>946,957</u>
 TRADE & OTHER RECEIVABLES		
Accrued Revenues	175,408	6,922
Debtors - general	425,235	291,370
Prepayments	<u>29,174</u>	<u>207</u>
	<u>629,817</u>	<u>298,499</u>
 INVENTORIES		
Stores & Materials	<u>12,689</u>	<u>14,908</u>
	<u>12,689</u>	<u>14,908</u>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

	2013				2014			
	\$				\$			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT								
Road Infrastructure	-	129,398	(425)	128,973	-	138,352	(5,603)	132,749
Buildings	-	237,200	(21,877)	215,323	-	284,432	(36,721)	247,711
Vehicles	-	120,475	(32,941)	87,534	-	83,704	(29,693)	54,011
Plant & Equipment	-	1,554,002	(555,780)	998,222	-	2,213,398	(860,572)	1,352,826
Landfill Cells	-	778,785	(64,899)	713,886	-	1,024,547	(224,840)	799,707
Leachate Ponds	-	14,840	-	14,840	-	89,280	(4,464)	84,816
Landfill Rehabilitation	-	298,000	(6,208)	291,792	-	364,000	(65,840)	298,160
Landfill Cell Capping	-	252,000	(21,000)	231,000	-	503,000	(101,333)	401,667
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	-	3,384,700	(703,130)	2,681,570	-	4,700,713	(1,329,066)	3,371,647
Comparatives		7,483,135	(3,617,716)	3,865,419		3,384,700	(703,130)	2,681,570

This Note continues on the following page.

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

	2013	CARRYING AMOUNT MOVEMENTS DURING YEAR							2014
	\$	\$							\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation	CARRYING AMOUNT
		New/Upgrade	Renewals						
Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT									
Road Infrastructure	128,973	8,954	-	-	(5,178)	-	-	-	132,749
Buildings	215,323	47,232	-	-	(14,844)	-	-	-	247,711
Vehicles	87,534	-	40,625	(51,426)	(22,722)	-	-	-	54,011
Plant & Equipment	998,222	566,546	94,236	(555)	(305,623)	-	-	-	1,352,826
Landfill Cells	713,886	245,762	-	-	(159,941)	-	-	-	799,707
Leachate Ponds	14,840	74,440	-	-	(4,464)	-	-	-	84,816
Landfill Rehabilitation	291,792	-	66,000	-	(59,632)	-	-	-	298,160
Landfill Cell Capping	231,000	-	251,000	-	(80,333)	-	-	-	401,667
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	2,681,570	942,934	451,861	(51,981)	(652,737)	-	-	-	3,371,647
Comparatives	3,865,419	1,928,323	5,286	(2,614,777)	(502,681)	-	-	-	2,681,570

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 7 - LIABILITIES

	Notes	2014		2013	
		\$		\$	
TRADE & OTHER PAYABLES		Current	Non-current	Current	Non-current
Goods & Services		556,425		485,268	
Accrued expenses - other		4,614	-	-	-
Other		21,251	-	196,386	-
		<u>582,290</u>	<u>-</u>	<u>681,654</u>	<u>-</u>
BORROWINGS					
Loans		-	427,000	-	-
		<u>-</u>	<u>427,000</u>	<u>-</u>	<u>-</u>

All interest bearing liabilities are secured over the future revenues of the Authority.

PROVISIONS

Employee entitlements (including oncosts)	70,115	43,851	65,843	23,911
Future reinstatement / restoration, etc	-	867,000	-	550,000
	<u>70,115</u>	<u>910,851</u>	<u>65,843</u>	<u>573,911</u>

Movements in Provisions - 2013 year only (current & non-current)

	Future Reinstatement	Cell Capping
Opening Balance	298,000	252,000
Add Additional amounts recognised	66,000	251,000
Add (Less) Remeasurement Adjustments		
Closing Balance	<u>364,000</u>	<u>503,000</u>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 8 - RESERVES & EQUITY

DISTRIBUTION SHARE OF SURPLUS/(DEFICIT)

The net surplus for the year has been distributed in proportion to the volumes of waste deposited by each respective constituent council.

	2014	%	2013	%
Volumes of waste dumped (in tonnes)				
Adelaide Hills Council	9,170	40.7%	8,409	40.4%
Alexandrina Council	678	3.0%	1,821	8.8%
District Council of Mt Barker	7,289	32.4%	5,792	27.8%
Rural City of Murray Bridge	5,392	23.9%	4,779	23.0%
	<u>22,529</u>	<u>100%</u>	<u>20,801</u>	<u>100%</u>

Distribution in accordance with the above percentages

	2014	2013
	\$	\$
Adelaide Hills Council	(164,506)	475,057
Alexandrina Council	(12,126)	103,478
District Council of Mt Barker	(130,958)	326,896
Rural City of Murray Bridge	<u>(96,602)</u>	<u>270,454</u>
	<u>(404,192)</u>	<u>1,175,885</u>

DISTRIBUTION SHARE OF EQUITY

Adelaide Hills Council		
Balance at end of previous reporting period	1,052,901	577,844
Distribution	(57,006)	-
Share of surplus	<u>(164,506)</u>	<u>475,057</u>
Balance at end of period	<u>831,389</u>	<u>1,052,901</u>

Alexandrina Council		
Balance at end of previous reporting period	255,371	151,893
Distribution	(13,826)	-
Share of surplus	<u>(12,126)</u>	<u>103,478</u>
Balance at end of period	<u>229,419</u>	<u>255,371</u>

District Council of Mt Barker		
Balance at end of previous reporting period	954,507	627,611
Distribution	(51,678)	-
Share of surplus	<u>(130,958)</u>	<u>326,896</u>
Balance at end of period	<u>771,871</u>	<u>954,507</u>

Rural City of Murray Bridge		
Balance at end of previous reporting period	507,747	237,293
Distribution	(27,490)	-
Share of surplus	<u>(96,602)</u>	<u>270,454</u>
Balance at end of period	<u>383,655</u>	<u>507,747</u>

Distribution to Councils	-	(150,000)
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TOTAL EQUITY AT END OF REPORTING PERIOD	2,216,334	2,620,526
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Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 9 - ASSETS SUBJECT TO RESTRICTIONS

The Authority as at 30 June 2014 had no assets subject to restrictions.

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 10 - 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:

	Notes	2014 \$	2013 \$
Total cash & equivalent assets	5	<u>192,437</u>	<u>946,957</u>
Balances per Cash Flow Statement		<u>192,437</u>	<u>946,957</u>

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

Net Surplus (Deficit)	(404,192)	1,175,885
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	652,737	502,681
Net increase (decrease) in unpaid employee benefits	24,212	44,434
Grants for capital acquisitions treated as Investing Activity	-	(168,000)
Net (Gain) Loss on Disposals	<u>7,079</u>	<u>(963,597)</u>
	279,836	591,403
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(331,318)	187,239
Net (increase) decrease in inventories	2,219	(4,111)
Net (increase) decrease in other current assets	-	(150,000)
Net increase (decrease) in trade & other payables	(99,364)	324,135
Net increase (decrease) in other provisions	-	-
Net Cash provided by (or used in) operations	<u>(148,627)</u>	<u>948,666</u>

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:		
- Estimated future reinstatement etc. costs	<u>317,000</u>	<u>(430,600)</u>

(d) Financing Arrangements

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

Bank Overdrafts	450,000	450,000
Loan Facilities - Outstanding Principle	-	-
Corporate Credit Cards	6,000	6,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice, this facility is provided by the Local Government Finance Authority of SA.

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 11 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits at call have an average maturity of 90 days and an average interest rates of 2.50% (2013: 90 days, 2.90%).</p> <p>Carrying amount: Approximates fair value due to the short term to maturity.</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts.</p> <p>Terms & conditions: 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>Carrying amount: Approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: 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>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: Approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: Secured over future revenues, borrowings are repayable by biannual instalments of principle and interest.</p> <p>Carrying amount: Approximates fair value.</p>
Liabilities - Overdraft	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: Secured over future revenues interest is charged at an average variable rate of 4.75%.</p> <p>Carrying amount: Approximates fair value.</p>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 11 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2014	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	192,437			192,437	192,437
Receivables	629,817	-	-	629,817	629,817
Total	822,254	-	-	822,254	822,254

Financial Liabilities					
Payables	577,676	-	-	577,676	577,676
Current Borrowings	-	427,000	-	427,000	427,000
Total	577,676	427,000	-	1,004,676	1,004,676

2013	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	946,957			946,957	946,957
Receivables	298,499	-	-	298,499	298,499
Total	1,245,456	-	-	1,245,456	1,245,456
Financial Liabilities					
Payables	681,654	-	-	681,654	681,654
Non-Current Borrowings	-	-	-	-	-
Total	681,654	-	-	681,654	681,654

The following interest rates were applicable to the Authority's borrowings at balance date:

	30 June 2014		30 June 2013	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
Overdraft	4.75	\$ 427,000	5%	\$ -
Non Interest Bearing	-	577,676	-	681,654
		1,004,676		681,654

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 Notes 5 & 6 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 Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available a bank overdraft 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.

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2014

Note 12 - COMMITMENTS FOR EXPENDITURE

The Authority as at 30 June 2014 had no commitments for expenditure.

Note 13 - OPERATING LEASES

The Authority as at 30 June 2014 had no operating leases.

Note 14 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED

The Authority as at 30 June 2014 is a defendant in Supreme Court proceedings in which it is asserted that the Authority made misleading representations at the time that it transferred its interests in the Hartley Landfill to a third party. The Authority is defending the claim and legal costs will continue to be incurred. At this time it is not possible to advise whether the Authority will have any additional financial exposure.

Note 15 - EVENTS OCCURING AFTER REPORTING DATE

There were no events subsequent to 30 June 2014 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 2014

Note 16 - 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 Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances

	2014 \$	2013 \$
Income	4,085,019	4,505,358
less Expenses	<u>4,482,132</u>	<u>4,461,070</u>
Operating Surplus / (Deficit)	(397,113)	44,288
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	134,861	5,286
less Depreciation, Amortisation and Impairment	652,737	502,681
less Proceeds from Sale of Replaced Assets	<u>44,902</u>	<u>900,000</u>
	(562,778)	(1,397,395)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	942,934	1,378,323
less Amounts received specifically for New and Upgraded Assets	-	168,000
less Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	-	-
	<u>942,934</u>	<u>1,210,323</u>
Net Lending / (Borrowing) for Financial Year	<u>(777,269)</u>	<u>231,360</u>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

We have audited the accompanying financial report of the Adelaide Hills Region Waste Management Authority ('Authority') which comprises the statement of financial position as at 30 June 2014 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Certification of Financial Statements statement.

The Responsibility of the Chief Executive Officer for the Financial Report

The Chief Executive Officer of the Authority 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 Local Government (Financial Management) Regulations 2011. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud and error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Chief Executive Officer, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011 and the Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Authority as of 30 June 2014, and its financial performance and cash flows for the year then ended in accordance with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and the Australian Accounting Standards (including Australian Accounting Interpretations).

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS



SAMANTHA ALLARD
PARTNER

Signed on the 15th day of August 2014
214 Melbourne Street, North Adelaide, South Australia 5006.

Adelaide Hills Region Waste Management Authority

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2014

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by Adelaide Hills Region Waste Management Authority 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 Authority's financial position at 30 June 2014 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



Michael Lorenz
EXECUTIVE OFFICER



Councillor Lyn Stokes
Deputy CHAIR PERSON

Date:

8/8/14

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2014

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 2014, 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 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.



Andrew Aitken
CHIEF EXECUTIVE OFFIER
Adelaide Hills Council

Date:

16 July 2014.

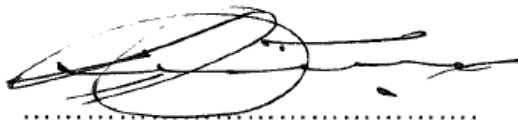
ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2014

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 2014, 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 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.



Peter Dinning
CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date: 14 July 2014

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2014

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 2014, 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 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.



.....
Andrew Stuart
CHIEF EXECUTIVE OFFICER
District Council of Mount Barker

Date:

28/7/14

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2014

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 2014, 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 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.



Peter Bond

CHIEF EXECUTIVE OFFICER
Rural City of Murray Bridge

Date: 7 July 2014

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2014

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of The Adelaide Hills Region Waste Management Authority for the year ended 30 June 2014, 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*.



.....
M.Lorenz
EXECUTIVE OFFICER



.....
A.Oliver
**A/PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 21-7-14

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Adelaide Hills Region Waste Management Authority for the year ended 30 June 2014, 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 ALLARD

Partner

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS

Dated this 12th day of August 2014



District Council of Mount Barker

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2014

"Lifestyle at Heart- Business in Mind"

The District Council of
Mount Barker



District Council of Mount Barker

General Purpose Financial Statements for the year ended 30 June 2014

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District Council of Mount Barker

General Purpose Financial Statements for the year ended 30 June 2014


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 2014 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

Ann Ferguson
MAYOR

Date: 16-October-2014

District Council of Mount Barker

General Purpose Financial Statements for the year ended 30 June 2014

Understanding Council's Financial Statements

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 2014.

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 specialize 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.

District Council of Mount Barker

Statement of Comprehensive Income

for the year ended 30 June 2014

\$ '000	Notes	2014	2013
Income			
Rates Revenues	2a	28,632	27,311
Statutory Charges	2b	1,110	1,038
User Charges	2c	3,615	3,406
Grants, Subsidies and Contributions	2g	2,267	2,698
Investment Income	2d	202	157
Reimbursements	2e	632	727
Other Income	2f	275	199
Net Gain - Equity Accounted Council Businesses	19	-	278
Total Income		36,733	35,814
Expenses			
Employee Costs	3a	12,002	10,816
Materials, Contracts & Other Expenses	3b	17,013	17,467
Depreciation, Amortisation & Impairment	3c	7,643	7,423
Finance Costs	3d	30	44
Net loss - Equity Accounted Council Businesses	19	131	-
Total Expenses		36,819	35,750
Operating Surplus / (Deficit)		(86)	64
Asset Disposal & Fair Value Adjustments	4	(1,799)	(2,564)
Amounts Received Specifically for New or Upgraded Assets	2g	5,197	4,309
Physical Resources Received Free of Charge	2i	4,241	3,541
Net Surplus		7,553	5,350
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	9a	9,344	9,316
Total Other Comprehensive Income		9,344	9,316
Total Comprehensive Income		16,897	14,667

District Council of Mount Barker

Statement of Financial Position

as at 30 June 2014

\$ '000	Notes	2014	2013
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	4,328	1,682
Trade & Other Receivables	5b	2,625	5,351
Inventories	5d	260	17
Total Current Assets		7,213	7,050
Non-Current Assets			
Financial Assets	6a	24	27
Equity Accounted Investments in Council Businesses	6b	772	903
Infrastructure, Property, Plant & Equipment	7a	428,677	415,378
Other Non-Current Assets	6c	6,451	2,325
Total Non-Current Assets		435,924	418,633
TOTAL ASSETS		443,137	425,683
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	5,030	4,455
Borrowings	8b	194	207
Provisions	8c	1,761	1,616
Total Current Liabilities		6,985	6,278
Non-Current Liabilities			
Borrowings	8b	98	292
Provisions	8c	336	292
Total Non-Current Liabilities		434	584
TOTAL LIABILITIES		7,419	6,862
Net Assets		435,718	418,821
EQUITY			
Accumulated Surplus		150,024	141,781
Asset Revaluation Reserves	9a	271,364	262,020
Other Reserves	9b	14,330	15,019
Total Council Equity		435,718	418,821

District Council of Mount Barker

Statement of Changes in Equity for the year ended 30 June 2014

\$ '000	Notes	Asset			Total Equity
		Accumulated Surplus	Revaluation Reserve	Other Reserves	
2014					
Balance at the end of previous reporting period		141,781	262,020	15,019	418,821
a. Net Surplus / (Deficit) for Year		7,553	-	-	7,553
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	9,344	-	9,344
Total Comprehensive Income		7,553	9,344	-	16,897
c. Transfers between Reserves		689	-	(689)	-
Balance at the end of period		150,024	271,364	14,330	435,718
2013					
Balance at the end of previous reporting period		138,263	252,705	13,186	404,154
a. Net Surplus / (Deficit) for Year		5,350	-	-	5,350
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	9,316	-	9,316
Total Comprehensive Income		5,350	9,316	-	14,667
c. Transfers between Reserves		(1,834)	-	1,834	-
Balance at the end of period		141,781	262,020	15,019	418,821

District Council of Mount Barker

Statement of Cash Flows

for the year ended 30 June 2014

\$ '000	Notes	2014	2013
Cash Flows from Operating Activities			
<u>Receipts</u>			
Operating Receipts		39,406	35,083
Investment Receipts		202	157
<u>Payments</u>			
Operating Payments to Suppliers and Employees		(28,643)	(29,092)
Finance Payments		(30)	(44)
Net Cash provided by (or used in) Operating Activities	11b	10,935	6,104
Cash Flows from Investing Activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		5,197	2,357
Sale of Replaced Assets		281	302
Sale of Surplus Assets		697	657
Repayments of Loans by Community Groups		3	7
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(5,414)	(5,008)
Expenditure on New/Upgraded Assets		(8,846)	(7,073)
Net Cash provided by (or used in) Investing Activities		(8,082)	(8,758)
Cash Flows from Financing Activities			
<u>Receipts</u>			
Nil			
<u>Payments</u>			
Repayments of Borrowings		(56)	(53)
Repayment of Finance Lease Liabilities		(151)	(140)
Net Cash provided by (or used in) Financing Activities		(207)	(193)
Net Increase (Decrease) in Cash Held		2,646	(2,846)
plus: Cash & Cash Equivalents at beginning of period	11	1,682	4,528
Cash & Cash Equivalents at end of period	11	4,328	1,682

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

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District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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 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 3 November 2014.

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 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.

1.4 Rounding

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

2 The Local Government Reporting Entity

The District Council of Mount Barker is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 6 Dutton Road, Mt Barker, SA 5251. These 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.

3 Income Recognition

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

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

In the month of June in recent years the Federal Government has paid amounts of untied financial assistance grants, which are recognised on receipt, in advance of the year of allocation. In June 2011, one quarter of the 2011/12 allocation amounting to \$293,008 was paid in advance; in June 2012, two quarters of the 2012/13 allocation: \$614,059; and in June 2013, again two quarters of the 2013/14 allocation: \$628,886. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in a consistent manner.

In 2013/14 no payment in advance was made.

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies (continued)

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. 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.

5.1 Real Estate Assets Developments

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

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.

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.

Furniture, Plant & Equipment	\$5,000
Buildings - new construction/extensions	\$10,000
Recreation & Other Structures	\$5,000
Road construction & reconstruction	\$5,000
Paving & Footpaths, Kerb & Gutter	\$5,000
Stormwater Drainage	\$5,000
CWMS & Water Assets	\$5,000

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies (continued)

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.

Buildings & Other Structures	20 to 150 years
Road Assets	20 to 80 years
Footpaths	10 to 30 years
Bridges	80 to 100 years
CWMS	5 to 100 years
Drainage	80 years
Plant, Furniture & Equipment	5 to 20 years

6.5 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).

For 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, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

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 30 days after the month 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

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies (continued)

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".

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 0.49% (2013, 0.48%)
Weighted avg. settlement period 0.57 years (2013, 0.53 years)

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. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

10 Provisions

10.1 Provisions for Reinstatement, Restoration and Rehabilitation

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. Council's policy to maximise recycling is extending the operational life of these facilities, and significant uncertainty exists in the estimation of the future closure date.

10.2 Provision for Carbon Tax

Council has equity in a regional subsidiary which operates one landfill facility, which is substantially below the taxation threshold of 25,000 tonnes of carbon dioxide equivalent (CO₂e) gas emissions.

Council considers that it has no current or likely future liability for this tax.
Refer to Note 19.

11 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

In respect of finance leases, where Council substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class, and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies (continued)

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

12 Joint Ventures and Associated Entities

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.

13 GST Implications

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

- Receivables and Creditors include GST receivable and payable.
- 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.

14 New accounting standards and UIG interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2014.

Council has not adopted any of these standards early.

Council's assessment of the impact of these new standards and interpretations is set out below.

Applicable to Local Government with implications:

AASB 9 Financial Instruments, associated standards, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and transitional disclosures and AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments (effective from 1 January 2017)

AASB 9 Financial Instruments addresses the classification, measurement and de-recognition of financial assets and financial liabilities.

The standard is not applicable until 1 January 2015 but is available for early adoption.

When adopted, the standard will affect in particular Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading.

Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss although there is currently a proposal by the IASB to introduce a Fair value through Other Comprehensive Income category for debt instruments.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities.

The de-recognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.

The Council has not yet fully assessed the impact on the reporting financial position and performance on adoption of AASB 9.

Applicable to Local Government but no implications for Council;

AASB 2013-3 Amendments to AASB 136 Recoverable Amount Disclosures for Non-

Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies (continued)

Financial Assets (effective for 30 June 2015 Financial Statements)

There are no changes to reported financial position or performance from AASB 2013 – 3, however additional disclosures may be required.

Applicable to Local Government but not relevant to Council at this stage;

AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective for 30 June 2015 Financial Statements for not-for-profit entities)

This suite of five new and amended standards address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities.

The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities.

It focuses on the need to have both power and rights or exposure to variable returns.

Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both.

Control exists when the investor can use its power to affect the amount of its returns.

There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements.

The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement.

Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture.

Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted.

Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard.

AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules.

As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128.

Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa.

The amendments also introduce a "partial disposal" concept.

Council is still assessing the impact of these amendments.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies (continued)

Council does not expect to adopt the new standards before their operative date.

They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2015.

Not applicable to Local Government per se;

None

There are no other standards that are “not yet effective” and expected to have a material impact on Council in the current or future reporting periods and on foreseeable future transactions.

15 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.

16 Disclaimer

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

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 2. Income

\$ '000	Notes	2014	2013
(a). Rates Revenues			
General Rates			
General Rates		21,413	20,316
Less: Discretionary Rebates, Remissions & Write Offs		(31)	(24)
Less: Mandatory Rebates		(257)	(244)
Total General Rates		21,125	20,049
Other Rates (Including Service Charges)			
Community Wastewater Management Systems		4,204	3,990
Refuse		2,330	2,297
Natural Resource Management Levy		572	557
Mount Barker Separate Rate		103	104
Hahndorf Separate Commerce Rate		74	76
Meadows Water Supply		14	13
Total Other Rates		7,297	7,037
Other Charges			
Penalties for Late Payment		134	144
Legal & Other Costs Recovered		76	81
Total Other Charges		210	225
Total Rates Revenues		28,632	27,311
(b). Statutory Charges			
Building & Development Act Regulatory Fees		428	438
Animal Registration Fees & Fines		252	245
Septic Tank Inspection Fees		184	112
Parking Fines / Expiation Fees		110	124
Sundry		136	119
Total Statutory Charges		1,110	1,038
(c). User Charges			
Sale of Reclaimed Water		1,080	569
Monarto Quarries		928	1,495
Mount Barker Tourist Park		717	528
Rental of Council Facilities		410	406
Waste Dumping Fees		342	312
Sundry		138	96
Total User Charges		3,615	3,406

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 2. Income (continued)

\$ '000	Notes	2014	2013
(d). Investment Income			
Interest on Investments			
- Local Government Finance Authority		107	125
- Banks & Other		42	28
- Loans to Community Groups		1	4
AHRWMA - Dividend		52	-
Total Investment Income		202	157

(e). Reimbursements

Library	259	252
Landfill	54	21
Immunisation	27	28
Sundry	292	426
Total Reimbursements	632	727

(f). Other Income

Contributions and Donations	158	157
Insurance & Other Recoupments - Infrastructure, IPP&E	70	-
Sundry	47	42
Total Other Income	275	199

(g). Grants, Subsidies, Contributions

Amounts Received Specifically for New or Upgraded Assets	5,197	4,309
Other Grants, Subsidies and Contributions	2,267	2,069
Individually Significant Item - Additional Grants Commission Payment (refer below)	-	629
Total Grants, Subsidies, Contributions	7,464	7,007

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

(i) Sources of grants

State Government	2,919	3,823
Commonwealth Government	2,902	1,437
Other	1,643	1,747
Total	7,464	7,007

(ii) Individually Significant Items

Grant Commission (FAG) Grant Recognised as Income	-	629
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Refer to Note 1 for details of Grant Commission (FAG) grant recognised as Income in 2013.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 2. Income (continued)

\$ '000	Notes	2014	2013
(h). Conditions over Grants & Contributions			
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:			
Unexpended at the close of the previous reporting period		2,245	1,299
<i>Less:</i>			
<i>Expended during the current period from revenues recognised in previous reporting periods</i>			
Recreation Infrastructure		(39)	(180)
Road Assets		(1,066)	(152)
Subtotal		(1,105)	(332)
<i>Plus:</i>			
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Recreation Infrastructure		1,135	-
Road Assets		419	1,239
Environmental		42	-
Other		-	39
Subtotal		1,596	1,278
Unexpended at the close of this reporting period		2,736	2,245
Net increase (decrease) in assets subject to conditions in the current reporting period		491	946
(i). Physical Resources Received Free of Charge			
Stormwater Drainage		2,093	381
Roads, Bridges & Footpaths		1,176	1,099
Wastewater		617	915
Land & Improvements		355	1,146
Total Physical Resources Received Free of Charge		4,241	3,541

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 3. Expenses

\$ '000	Notes	2014	2013
(a). Employee Costs			
Salaries and Wages		9,651	8,746
Employee Leave Expense		1,555	1,366
Superannuation - Defined Contribution Plan Contributions	18	1,064	923
Workers' Compensation Insurance		259	234
Other		138	127
Less: Capitalised and Distributed Costs		(665)	(580)
Total Operating Employee Costs		12,002	10,816
Total Number of Employees (full time equivalent at end of reporting period)		148	138
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Elected Members' Expenses		235	229
Operating Lease Rentals - Non-Cancellable Leases			
- Minimum Lease Payments		121	36
Auditor's Remuneration			
- Auditing the Financial Reports		20	28
Election Expenses		11	26
Subtotal - Prescribed Expenses		387	319
(ii) Other Materials, Contracts and Expenses			
Contractors		4,502	4,791
Waste Collection and Disposal		2,101	1,946
Parts, Accessories & Consumables		1,216	1,249
Energy		1,071	1,045
Septic Tank Clean Outs		583	467
Levies Paid to Government - NRM levy		566	553
Street Lighting		395	374
Cartage - Monarto Quarries		326	475
Water		174	169
Legal Expenses		170	214
Professional Services		149	197
Sundry		5,463	5,728
Less: Capitalised and Distributed Costs		(90)	(60)
Subtotal - Other Material, Contracts & Expenses		16,626	17,148
Total Materials, Contracts and Other Expenses		17,013	17,467

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 3. Expenses (continued)

\$ '000	Notes	2014	2013
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Road Assets		3,658	3,675
Wastewater		861	842
Furniture, Plant & Equipment		891	871
Recreation & Open Space		509	466
Drainage		467	435
Footpaths		433	360
Buildings & Other Structures		340	326
Bridges		330	305
Recycled Water		154	143
Total Depreciation, Amortisation and Impairment		7,643	7,423
(d). Finance Costs			
Charges on Finance Leases		16	27
Interest on Loans		14	17
Total Finance Costs		30	44

Note 4. Asset Disposal & Fair Value Adjustments

Infrastructure, Property, Plant & Equipment

(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		281	302
Less: Carrying Amount of Assets Sold		(2,092)	(2,791)
Gain (Loss) on Disposal		(1,811)	(2,489)
(ii) Assets Surplus to Requirements			
Proceeds from Disposal		697	657
Less: Carrying Amount of Assets Sold		(685)	(732)
Gain (Loss) on Disposal		12	(75)
Net Gain (Loss) on Disposal or Revaluation of Assets		(1,799)	(2,564)

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 5. Current Assets

\$ '000	Notes	2014	2013
(a). Cash & Cash Equivalents			
Deposits at Call		3,968	1,000
Cash on Hand at Bank		360	682
Total Cash & Cash Equivalents		4,328	1,682
(b). Trade & Other Receivables			
Rates - General & Other		1,081	1,199
GST Recoupment		433	212
Prepayments		184	788
Accrued Revenues		117	38
Loans to Community Organisations		3	5
Sundry		807	3,429
Subtotal		2,625	5,671
Less: Allowance for Doubtful Debts		-	(320)
Total Trade & Other Receivables		2,625	5,351
(c). Inventories			
Trading Stock - Quarries		252	14
Stores & Materials		8	3
Total Inventories		260	17

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 6. Non-Current Assets

\$ '000	Notes	2014	2013
(a). Financial Assets			
Receivables			
Loans to Community Organisations		24	27
Total Financial Assets		24	27
(b). Equity Accounted Investments in Council Businesses			
Adelaide Hills Regional Waste Management Authority	19	772	903
Total Equity Accounted Investments in Council Businesses		772	903
(c). Other Non-Current Assets			
Other			
Capital Works-in-Progress		6,451	2,325
Total Other Non-Current Assets		6,451	2,325

District Council of Mount Barker

Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

Note 7a. Infrastructure, Property, Plant & Equipment

\$ '000	Fair Value Level	as at 30/6/2013				Asset Movements during the Reporting Period						as at 30/6/2014			
		At Fair Value	At Cost	Acc. Dep'n	Carrying Value	Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3c)	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Acc. Dep'n	Carrying Value
						New / Upgrade	Renewals								
Road Assets	3	202,822	-	36,716	166,106	3,568	2,911	(1,333)	(3,658)	-	-	201,027	5,475	38,910	167,592
Land - Community	3	60,258	-	-	60,258	417	-	(685)	-	-	-	59,990	-	-	59,990
Land - Other	2	6,570	-	-	6,570	-	-	-	-	-	9,100	15,670	-	-	15,670
Wastewater	3	57,535	-	13,995	43,540	663	610	(72)	(861)	-	-	58,489	657	14,801	44,345
Buildings & Other Structures	3	49,122	-	5,788	43,334	12	206	(175)	(340)	-	244	49,378	218	6,316	43,280
Drainage	3	39,563	-	8,348	31,215	2,492	30	(32)	(467)	-	-	41,608	429	8,800	33,237
Bridges	3	29,394	-	5,060	24,334	319	-	-	(330)	-	-	29,394	319	5,390	24,323
Footpaths	3	17,377	-	2,545	14,832	567	296	(149)	(433)	-	-	17,366	690	2,943	15,113
Recreation & Open Space	3	15,348	-	4,913	10,435	923	160	(72)	(509)	-	-	15,252	1,083	5,397	10,938
Recycled Water	3	10,635	-	464	10,171	-	-	-	(154)	-	-	10,171	-	617	9,554
Furniture, Plant & Equipment		-	8,270	3,687	4,583	-	1,202	(260)	(891)	-	-	-	8,565	3,930	4,635
Total Infrastructure, Property, Plant & Equipment		488,624	8,270	81,516	415,378	8,960	5,414	(2,777)	(7,643)	-	9,344	498,346	17,435	87,104	428,677
Comparatives		471,066	8,044	80,403	398,707	12,027	5,627	(2,877)	(7,423)	(401)	9,717	488,624	8,270	81,516	415,378

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

\$ '000

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

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.

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.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property (continued)

\$ '000

Valuation of Assets (continued)

Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 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 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, fair value is taken to be the current replacement cost.

Highest and best use

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

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.

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 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.

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 2013 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 2013.

Buildings & Other Structures

Councils Buildings and other structures were revalued at 30th June 2014 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng, 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.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property (continued)

\$ '000

Valuation of Assets (continued)

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 three. Level 3 inputs have been applied to these classes of assets as there are no relevant observable inputs (Markets) available.

Recreational Assets were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. The values have been adjusted based on Rawlinson's 'Australian Construction Handbook 2013' estimated comparative rates for Adelaide.

Roads, Kerb and Gutter, Footpaths

Road Assets were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Based on Rawlinson's 'Australian Construction Handbook 2013' estimated comparative rates for Adelaide.

Bridges & Footways Assets were valued by council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Based on Rawlinson's 'Australian Construction Handbook 2013' estimated comparative rates for Adelaide.

CWMS Assets were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Based on Rawlinson's 'Australian Construction Handbook 2013' estimated comparative rates for Adelaide.

Recycled Water Assets were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Based on Rawlinson's 'Australian Construction Handbook 2013' estimated comparative rates for Adelaide.

Drainage Assets were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Based on Rawlinson's 'Australian Construction Handbook 2013' estimated comparative rates for Adelaide.

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

Furniture, Plant & Equipment

These assets are recognised on a cost basis.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 8. Liabilities

\$ '000	Notes	2014 Current	2014 Non Current	2013 Current	2013 Non Current
(a). Trade and Other Payables					
Goods & Services		3,095	-	2,403	-
Accrued Expenses - Employee Entitlements		1,238	-	1,609	-
Accrued Expenses - Other		363	-	71	-
Deposits, Retentions & Bonds		186	-	234	-
Payments Received in Advance		148	-	138	-
Total Trade and Other Payables		5,030	-	4,455	-
(b). Borrowings					
Finance Leases	14b	134	-	151	134
Loans		60	98	56	158
Total Borrowings		194	98	207	292
(c). Provisions					
Employee Entitlements (including oncosts)		1,761	336	1,616	292
Total Provisions		1,761	336	1,616	292

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 9. Reserves

\$ '000	1/7/2013	Increments (Decrements)	Transfers	30/6/2014
(a). Asset Revaluation Reserve				
Infrastructure	153,904	-	-	153,904
Land - Community	47,250	9,100	-	56,350
Buildings & Other Structures	41,694	244	-	41,938
Road Assets	12,712	-	-	12,712
Wastewater	3,800	-	-	3,800
Footpaths	2,235	-	-	2,235
Drainage	425	-	-	425
Total Asset Revaluation Reserve	262,020	9,344	-	271,364
Comparatives	252,705	9,316	-	262,020

\$ '000	1/7/2013	Tfrs to Reserve	Tfrs from Reserve	30/6/2014
(b). Other Reserves				
Wastewater Maintenance Reserve	7,153	6,151	(5,977)	7,326
Indirect Developer Contributions	3,718	452	(361)	3,809
Infrastructure Fund	675	17	-	692
Car Park Reserve	621	-	-	621
Refuse Reserve	501	46	-	547
Open Space Development	848	165	(673)	340
Wastewater Infrastructure Fee	584	1,413	(1,920)	78
Other Reserves	919	-	(2)	917
Total Other Reserves	15,019	8,244	(8,933)	14,330
Comparatives	13,185	3,048	(1,214)	15,019

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 maintaining the Council's Wastewater requirement.

Wastewater Infrastructure fee reserve - Surplus Wastewater connection fee funds specifically for capital expansion of the Wastewater network.

District Council of Mount Barker

Notes to and forming part of the Financial Statements

for the year ended 30 June 2014

Note 9. Reserves (continued)

\$ '000

Refuse Reserve

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

Infrastructure Fund 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 Mt Barker precinct.

Note 10. Assets Subject to Restrictions

\$ '000

Notes

2014

2013

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.

Cash & Financial Assets

DPTI Open Space Polo Land	1,000	-
Special Local Roads Program - Alexandrina Road	252	-
Open Space Contributions	238	-
DPTI LG Stimulus Program	201	-
Developer Contributions	180	174
Open Space Grant Program - Laratinga Linear Trail	102	275
Places for People Grant - Morphet / Hutchinson Precinct	-	500
Special Local Roads Program - Bald Hills Road	-	464
Other unexpended amounts	-	39
Total Cash & Financial Assets	1,973	1,452
Total Assets Subject to Externally Imposed Restrictions	1,973	1,452

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2014	2013
(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	4,328	1,682
Balances per Statement of Cash Flows		4,328	1,682
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		7,553	5,350
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		7,643	7,423
Net (Gain) Loss on Disposals		1,799	2,564
Equity Movements in Equity Accounted Investments (Increase)/Decrease		131	(278)
Non-Cash Asset Acquisitions		(4,241)	(3,541)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(5,197)	(4,309)
		7,688	7,209
Add (Less): Changes in Net Current Assets			
Net Increase/(Decrease) in Trade & Other Payables		1,229	(856)
Net (Increase)/Decrease in Receivables		793	(335)
Change in Allowances for Under-Recovery of Receivables		320	-
Net Increase/(Decrease) in Unpaid Employee Benefits		189	-
Net (Increase)/Decrease in Inventories		(243)	74
Net (Increase)/Decrease in Other Current Assets		959	(160)
Net Increase/(Decrease) in Other Provisions		-	172
Net Cash provided by (or used in) operations		10,935	6,104
(c). Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
- Physical Resources Received Free of Charge	2i	4,241	3,541
Total Non-Cash Financing & Investing Activities		4,241	3,541
(d). Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
LGFA Cash Advance Debenture Facility		10,510	9,810
Corporate Credit Cards		100	140

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

District Council of Mount Barker

Notes to and forming part of the Financial Statements

for the year ended 30 June 2014

Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013
\$ '000										
Rates	22,123	21,044	1,524	1,376	20,599	19,669	30	52	-	-
Wastewater & Recycled Water	5,336	4,699	4,646	4,660	690	38	-	16	53,898	82,011
Field Services	4,400	4,387	9,819	8,764	(5,419)	(4,377)	1,143	1,364	235,638	209,872
Commercial Assets	1,707	1,557	1,819	1,728	(111)	(171)	8	13	4,887	4,627
Customer Services	1,291	1,341	4,614	4,482	(3,323)	(3,141)	881	944	-	-
Corporate Services	679	1,077	1,341	1,368	(663)	(291)	38	67	7,749	8,066
Health & Public Safety	643	572	1,615	1,515	(972)	(943)	42	44	-	-
Planning Policy & Development	473	481	4,019	3,968	(3,545)	(3,487)	61	85	-	-
Infrastructure & Projects	41	57	1,308	1,611	(1,268)	(1,554)	26	43	-	-
Asset Management	40	600	6,114	6,279	(6,074)	(5,679)	38	72	140,965	121,107
Total Functions/Activities	36,733	35,814	36,819	35,750	(86)	64	2,267	2,698	443,137	425,683

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

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 12b. Components of Functions

\$ '000

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

Visitor Information Centre, Library, Home & Community Care, Community Development, Family & Children, Customer Services, Hills Community Transport, Community Bus, Aged & Disabled Persons Homes, Marketing & Tourism.

FIELD SERVICES

Works Depot, Sanitary & Garbage, Street Cleaning, Refuse Management, 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 & Open Space & Managing Growth.

HEALTH & PUBLIC SAFETY

Animal Control, Fire Protection, Health Inspection, Immunisation, Impounding Livestock, Council By laws & Parking.

INFRASTRUCTURE & PROJECTS

Project Management , Engineering, Major Capital Works.

WASTEWATER

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

COMMERCIAL ASSETS

Monarto Quarries, Caravan Park & Pool.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

Note 13. Financial Instruments

\$ '000

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Carried at lower of cost and net realisable value; Interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 2.5% and 3% (2013: 1.8% and 3.5%). Short term deposits have an average maturity of 45 days and an average interest rate of 2.5%. (2013: 45 days and 4.1%)

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Rates & Associated Charges

(including legals & penalties for late payment)

Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Secured over the subject land, arrears attract interest of 6.46% (2013: 6.7%). 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:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

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).

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments

Receivables

Other Levels of Government

Accounting Policy:

Carried at nominal value.

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.

Receivables

Retirement Home Contributions

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

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.

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments

Liabilities

Retirement Home Contributions

Accounting Policy:

To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.

Terms & Conditions:

Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.

Carrying Amount:

Approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.

Liabilities

Interest Bearing Borrowings

Accounting Policy:

Carried at the principal amounts. Interest is charged as an expense as it accrues.

Terms & Conditions:

Secured over future revenues, borrowings are repayable by equal 6 Monthly instalments; interest is charged at fixed-rates between 5.8% and 9% (2013: 5.8% and 9%)

Carrying Amount:

Approximates fair value.

Liabilities

Finance Leases

Accounting Policy:

Accounted for in accordance with AASB 117.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2014					
Financial Assets					
Cash & Equivalents	4,328	-	-	4,328	4,328
Receivables	2,625	-	-	2,625	2,324
Other Financial Assets	-	13	11	24	24
Total Financial Assets	6,953	13	11	6,977	6,676

Financial Liabilities

Payables	5,030	-	-	5,030	4,882
Current Borrowings	194	-	-	194	194
Non-Current Borrowings	-	98	-	98	98
Total Financial Liabilities	5,224	98	-	5,322	5,174

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2013					
Financial Assets					
Receivables	4,526	-	-	4,526	4,525
Cash & Equivalents	1,682	-	-	1,682	1,682
Other Financial Assets	-	12	15	27	27
Total Financial Assets	6,208	12	15	6,235	6,234

Financial Liabilities

Payables	4,331	-	-	4,331	4,317
Current Borrowings	207	-	-	207	207
Non-Current Borrowings	-	292	-	292	292
Total Financial Liabilities	4,538	292	-	4,830	4,816

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

	30 June 2014		30 June 2013	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed Interest Rates	7.07%	292	7.12%	499
		292		499

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 and forming part of the Financial Statements for the year ended 30 June 2014

Note 13. Financial Instruments (continued)

\$ '000

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 allowance for doubtful debts. 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.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 14. Commitments for Expenditure

\$ '000	Notes	2014	2013
(a). Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Infrastructure		5,026	1,973
Furniture, Plant & Equipment		91	467
		5,117	2,440
These expenditures are payable:			
Not later than one year		5,117	2,440
		5,117	2,440
(b). Finance Lease Commitments			
Council leases various plant and equipment with a carrying amount of \$337,843 (2013 - \$428,922) under finance leases expiring within 1 to 4 years. At expiry, Council may re-lease, or return or acquire the leased assets. Commitments under finance leases at the reporting date are as follows:			
Not later than one year		139	167
Later than one year and not later than 5 years		-	139
Minimum Lease Payments		139	305
Less: Future Finance Charges		(5)	(21)
Net Lease Liability		134	285
Representing lease liabilities:			
Current	8	134	151
Non-Current	8	-	134
		134	285

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 15. Financial Indicators

	Amounts	Indicator	Prior Periods	
\$ '000	2014	2014	2013	2012

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/(Deficit) Ratio

Operating Deficit	(86)	(0.31%)	0.24%	0.68%
Rates - General & Other Less NRM levy	28,060			

This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.

1a. Adjusted Operating Surplus/(Deficit) Ratio

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. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the disclosed operating result for each year.

(86)	(0.31%)	0.24%	(1.74%)
28,060			

2. Net Financial Liabilities Ratio

Net Financial Liabilities	442	1.22%	(0.56%)	0.15%
Total Operating Revenue Less NRM Levy	36,161			

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 (excluding NRM levy).

3. Asset Sustainability Ratio

Net Asset Renewals	(5,133)	97.23%	63.39%	116.84%
Infrastructure & Asset Management Plan required expenditure	5,279			

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.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 16. Uniform Presentation of Finances

\$ '000	2014	2013
<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	36,733	35,814
less Expenses	(36,819)	(35,750)
Operating Surplus / (Deficit)	(86)	64
less Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	5,414	5,387
less Depreciation, Amortisation and Impairment	(7,643)	(7,423)
less Proceeds from Sale of Replaced Assets	(281)	(302)
Subtotal	(2,510)	(2,338)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	8,846	7,073
less Amounts Received Specifically for New and Upgraded Assets	(5,197)	(4,309)
less Proceeds from Sale of Surplus Assets (including Investment Property & and Real Estate Developments)	(697)	(657)
Subtotal	2,952	2,107
Net Lending / (Borrowing) for Financial Year	(528)	295

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 17. Operating Leases

\$ '000	2014	2013
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Leases Providing Revenue to the Council

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.

Lease Payment Commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment. No contingent rentals were paid during the current or previous reporting periods.

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

Not later than one year	37	27
Later than one year and not later than 5 years	84	9
	<u>121</u>	<u>36</u>

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 18. Superannuation

\$ '000

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 Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9.25% in 2013/14; 9% in 2012/13). 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) 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 Trustee based on advice from the appointed Actuary.

The rate is currently 6.3% (6.3% in 2012/13) of 'superannuation' salary.

In addition, Council makes a separate contribution of 3% of salary for Salarylink members to their Marketlink account. Employees also make member contributions to the Fund. As such, assets accumulate in 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 Fund'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 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent full actuarial investigation conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2011. 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.

District Council of Mount Barker

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 19. Equity Accounted Council Businesses

\$ '000

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

	Council's Share of Net Income		Council's Share of Net Assets	
	2014	2013	2014	2013
Regional Subsidiaries	(131)	278	772	903
Total	(131)	278	772	903

(i) JOINT VENTURE ENTITIES

(a) Carrying Amounts

Name of Entity	Principal Activity	2014	2013
Adelaide Hills Regional Waste Management Authority	Waste Management	772	903
Total Carrying Amounts - Joint Venture Entities		772	903

(b) Relevant Interests

Name of Entity	Interest in Outputs		Interest in Ownership	
	2014	2013	2014	2013
Adelaide Hills Regional Waste Management Authority	32%	28%	35%	34%

(c) Movement in Carrying Amounts

	Adelaide Hills Regional Waste Management Authority	
	2014	2013
Opening Balance	903	625
Share in Operating Result	(131)	278
Distributions Received	52	-
Adjustments to Equity	(52)	-
Council's Equity Share in the Joint Venture Entity	772	903

(ii) ASSOCIATED ENTITIES

Council has no interest in any Associated Entities.

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

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

Notes to and forming part of the Financial Statements for the year ended 30 June 2014

Note 21. Contingencies & 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 804.3 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. BANK GUARANTEES

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$21,797 (2013: \$42,319) at reporting date.

Council does not expect to incur any loss arising from these guarantees.

4. LEGAL MATTERS

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, 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 9 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.

5. CARBON TAX

From 1 July 2012 a new tax on emissions of certain "greenhouse" gases commenced operation. Council has one garbage landfill facilities which emits, and will continue for many years to emit, gases of this type.

Using current calculation methods, emissions from Council's landfill facilities are substantially below current taxable thresholds. This situation is expected to continue while thresholds remain at current levels.

Information currently available provides assurances that "legacy emissions" from garbage placed in landfills prior to commencement of the tax will not subsequently become liable to the tax. However, should taxable thresholds be substantially reduced Council may be subject to taxation on landfill deposits made after 1 July 2013. No liability has been recognised in these reports.

Note 22. Events after the Balance Sheet Date

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

INDEPENDENT AUDITOR'S REPORT TO THE PRINCIPAL MEMBER OF THE DISTRICT COUNCIL OF MOUNT BARKER

Report on the Financial Report

We have audited the accompanying financial report of the District Council of Mount Barker ("the Council"), which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification of the financial statements by the Chief Executive Officer and the Principal Member of the Council.

Council's Responsibility for the Financial Report

The Council's officers are responsible for the preparation of the financial report in accordance with Australian Accounting Standards, the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 and for such internal controls as the Council's officers determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council's officers, as well as evaluating the overall presentation of the financial report.

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



Opinion

In our opinion the financial report of the District Council of Mount Barker presents fairly, in all material respects, the Council's financial position as at 30 June 2014 and of its financial performance for the year ended on that date in accordance with Australian Accounting Standards, the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011.

A stylized, handwritten signature in blue ink that reads 'BDO'.

BDO Audit Partnership (SA)

A handwritten signature in blue ink that reads 'G K Edwards'.

G K Edwards
Partner

Adelaide, 22 October 2014

District Council of Mount Barker

General Purpose Financial Statements for the year ended 30 June 2014

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of District Council of Mount Barker for the year ended 30 June 2014, the Council's Auditor, BDO 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



Michael Bails
PRESIDING MEMBER, AUDIT COMMITTEE

Date: 16-October-2014

CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of the District Council of Mount Barker for the year ended 30 June 2014, 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.

BDO Audit Partnership (SA)



G K Edwards
Partner

Adelaide, 22 October 2014