



MOUNT BARKER
DISTRICT COUNCIL

Annual Report 2014-15





Mount Barker District Council

Annual Report 2014-15

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Message from the Mayor and CEO

The past year has provided the opportunity to refresh the Council Membership via the local government elections and three new Council members were elected, one in each Ward. Extensive training and induction has been provided to all Council Members to ensure they are equipped with the knowledge and skills for their role.

The first couple of years of a Council provide the opportunity to review the Strategic Plan and engaging with the community has produced a wonderful draft that the community will be able to have further input into during next year.

Council has been keen to see an increase in business and employment opportunities in the District and has developed an Economic Development Strategy that it hopes will assist in achieving this. Part of this Strategy included a marketing plan and Council has taken the first step by approving a new Council logo.

The concern around freeway access and the advocacy role of Council for an additional interchange has finally been successful and we know that once completed, traffic flows to and from the freeway will be significantly improved.

Recent land purchases for recreation purposes have provided an opportunity for the community to become involved in plans for these sites. Council looks forward to further reports into the investigations of the aquatic facility and other recreation proposals.

As a significant wastewater provider Council has invested in its treatment plant and associated infrastructure to ensure it can continue to treat and supply wastewater for reuse throughout the District.

Regional co-operation continues to be productive with work now completed on the Regional Public Health Plan and progress is continuing on the World Heritage bid for the Mount Lofty Ranges.

The Council will continue to seek input from the community on future plans and thank you for your past involvement.

Andrew Stuart CEO



Mayor Ann Ferguson



Key achievements

- Local Government Election
- Council Member induction and mandatory training
- New Council logo, name and branding/ marketing strategy
- Economic Development Strategy
- Following significant advocacy by Council the new Freeway Interchange at Bald Hills Road and the upgrade of the Bald Hills Road / Old Princes Highway junction commenced
- Aquatic Feasibility Study
- Regional Recreation Site detailed concept design
- Showgrounds Master Plan
- Regional Public Health Plan
- Rural (Primary Production Protection) DPA
- Nairne and Environs DPA
- Construction of an additional Continuous Membrane Filtration (CMF) plant at the Springs Road treatment plant site.
- Construction of a new wastewater treatment plant at Meadows to service the entire township
- Linear Trail from Laratinga Trail to Alexandrina Road
- Land purchased from the Adelaide Polo Club for community recreation and sport
- A 19% reduction in energy cost of wastewater treatment
- Undergrounding of the power lines in the main street of Nairne
- Completion of Alexandrina Road upgrade and the Druids Avenue/Cameron Road roundabout.
- Dust suppression intervention for Proctor Road, Kanmantoo
- AHISS Sculpture installations at Littlehampton, Mount Barker and Meadows
- Management Agreements implemented at Council owned halls and recreation grounds
- Community Bus service extension
- Mount Barker Cricket Club practice net project
- New joint Waste Collection contract with RCMB
- Pedestrian bridge at Nairne
- Bald Hills Road and Alexandrina Road projects completion
- Davenport Square, Macclesfield gazebo and BBQ renewal
- Anembo Park 4x track renewal
- North Road, Nairne traffic calming devices.



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

July 2014 - November 2014

Mayor

Ann Ferguson



- 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.

South Ward

Roger Irvine

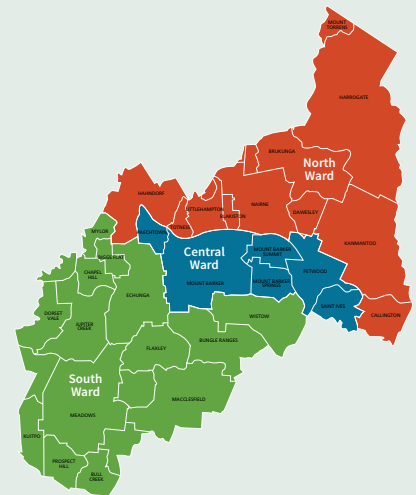


- Council's Development Assessment Panel
- Council's Audit Committee
- Macclesfield Community Association Committee Inc (manage the Macclesfield Institute Hall)
- Macclesfield Recreation Grounds Committee Inc
- Meadows Recreation Grounds Committee Inc.

Rob Heath



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



Central Ward

Carol Bailey



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

Ian Grosser



- 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).

Lindsay Campbell



- 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



- 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.

North Ward

Jeff Bettcher



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

Trevor Corbell



- 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.

Simon Westwood



- 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.

Lyn Stokes



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

November 2014 - June 2015

Mayor

Ann Ferguson



- 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.

South Ward

Roger Irvine

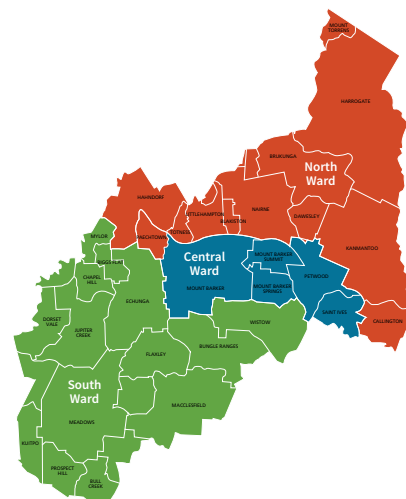


- Council's Development Assessment Panel
- Echunga Recreation Grounds Committee
- Macclesfield Recreation Grounds Committee Inc
- Meadows Recreation Grounds Committee Inc.

Greg Morrison



- Council's Strategic Planning and Development Policy Committee
- Macclesfield Community Association Committee (for the Macclesfield Institute only)
- Meadows Memorial Hall Inc
- Prospect Hill Community Association (for Prospect Hill Hall only).



Central Ward

Carol Bailey



- Council's Development Assessment Panel
- Ranges to River Local Government NRM Advisory Group.

Ian Grosser



- Council's Strategic Planning and Development Policy Committee
- Mt Barker High School Council
- Ranges to River NRM Advisory Group.

Lindsay Campbell



- Chairperson Council's Strategic Planning and Development Policy Committee
- Mount Barker Football Club (manage Mt Barker Oval).

Trevor Keen



- Council's Strategic Planning and Development Policy Committee
- Council's Community Grants Assessment Committee
- Anembo Park Sport and Recreation Association.

North Ward

Jeff Bettcher



- Council's Strategic Planning and Development Policy Committee
- Council's Audit Committee
- Hahndorf Business & Tourism Association
- Hahndorf Academy Board
- Hahndorf Memorial Institute Committee
- Hahndorf Community Recreation and Sports Ground Inc.

Trevor Corbell



- Council's Strategic Planning and Development Policy Committee
- Council's Audit Committee
- Council's Community Grants Assessment Committee
- Nairne Institute Committee Inc
- Nairne Market Inc
- Nairne Oval Committee Inc.

Susan Hamilton



- Council's Strategic Planning and Development Policy Committee
- Chairperson Council's Community Grants Assessment Committee
- Mount Barker Community Centre
- Proxy Hahndorf Academy
- Littlehampton Peace Memorial Hall.

Harry Seager



- Council's Development Assessment Panel
- Brukung Hall Committee Inc
- Callington Memorial Hall Committee
- Kanmantoo Grounds Committee.

Managing Growth

Council has successfully completed the acquisition of two further strategic land parcels for future community open space, in particular the recreation and sport. These parcels are on Bollen Road and portion of the Adelaide Polo Club land off Fidler Lane. In both instances the acquisitions have been assisted by grant funding from the State Government.

Construction of the new freeway interchange at Bald Hills Road has commenced. This has been made possible by funding provision from Federal and State Governments and Council. The new interchange will feature all four on and off ramps.

Council has declared separate rates for infrastructure on all land within the areas in Mount Barker and Nairne that were rezoned in 2010 by the State Government. The purpose of the separate rates is to ensure that all developers contribute equitably to the timely provision of new/upgraded infrastructure that is required due to growth. The separate rates encompass community recreation and sport, transport and wastewater infrastructure.

Planning for the progressive expansion of Council's existing wastewater infrastructure network is well advanced. Council will provide a sewer service for the Mount Barker growth area.

Considerable Council resources have been applied to the assessment of development applications lodged and working with developers prior to lodgement of a formal application. Similarly Council has ensured that all new infrastructure (e.g. roads and stormwater) that will vest in Council from developers has been constructed to the required standard and is fit for purpose so it will not require renewal earlier than should be the case.

Council reached agreement to have the Nairne Soldiers' Memorial Hall vest in Council to ensure that this important community asset will continue to be available for use in the long term. As growth in Nairne continues, the demand for such community space will increase.

Construction of a new water treatment plant to service the entire township of Meadows has been completed by the developer of the 'Mawson Green' estate with a financial contribution from Council. Other infrastructure upgrades are also required of the developer in the future as further stages of the residential development are undertaken.



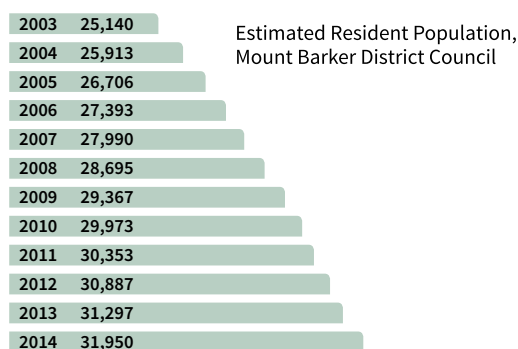
Community Profile and Population

Population growth and residential development

The official resident population of the Mount Barker District Council was 31,950 in 2014. This is an increase of 653 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 population change of 2.4% per year over the period, more than double the State's growth rate.

In 2014/15 Council approved 317 dwellings and the creation of a further 284 residential allotments. These figures are lower than the 2013/14 figures (388 dwellings approved).



Projections and trends

Council has commissioned an independent population forecast to inform the management of urban growth. The forecast indicates the District's population will continue to grow by an average of 2.2% over the next 20 years. This would result in a total population of 41,000 in 2025 and 51,000 in 2035. 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 town of Mount Barker will be home to 42,000 people, and the District will reach a population of around 65,000.

The District currently has above average proportions of children and young people, with 26% of the population under 18 years of age (compared to 21.6% in Greater Adelaide). 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.

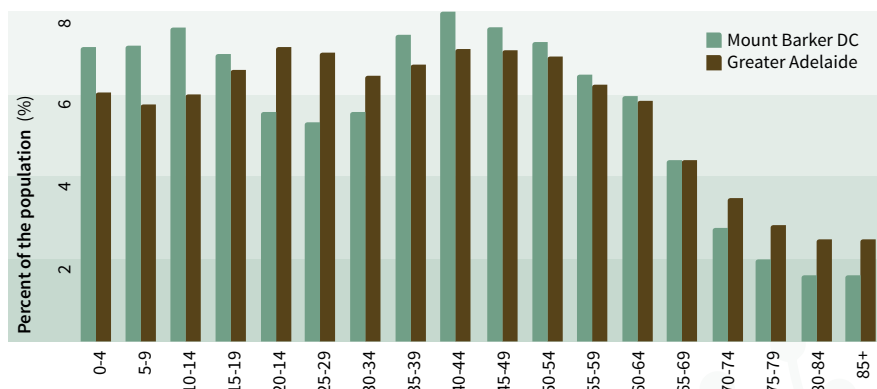
Increase in the over 60s age bracket accounts for 40% of population growth since 2006, partly in response to more 'retirement housing' available in the District.

Characteristics of the population

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

- Residents live in 12,178 dwellings with an average household size of 2.6 people
- 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 compared with 44.1% 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 community involvement in the District as measured by volunteering rates, with 26% of the population volunteering, compared to 18% for Greater Adelaide.

Five year age structure, 2011



Decision making structure of Council

Decisions are made through either Council meetings, Committee meetings or by staff through delegated authority. In 2014/15 Council's decision making structure comprised:

- Council meetings which are held on the 1st and 3rd Monday of every month (other than January and July)
- 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 five times per year
- Community Grants Assessment Committee meetings which are held at least once per year

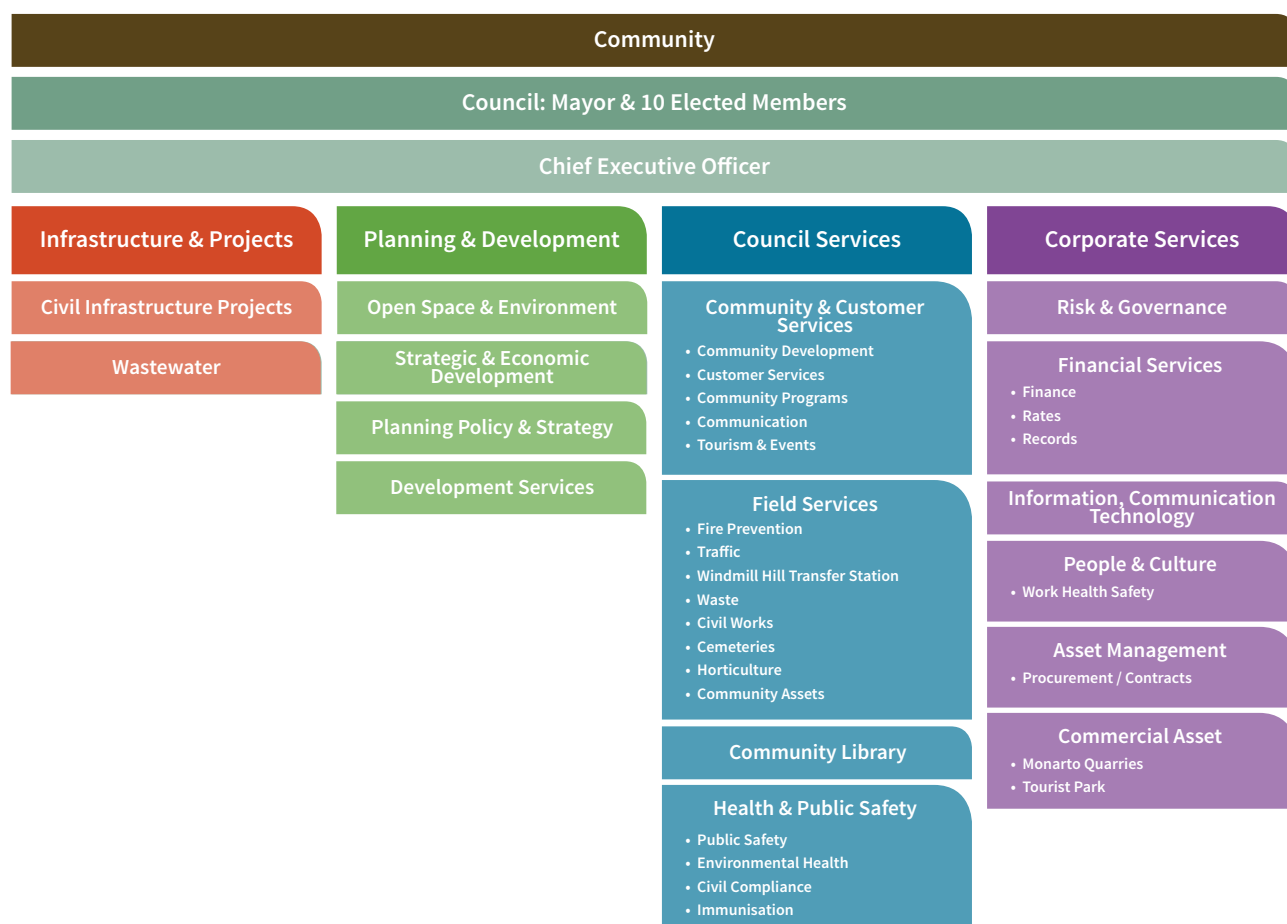
- Rates Review Committee meetings are held in the first year of the Council term
- Development Assessment Panel meetings are held every third Wednesday or when required.

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.

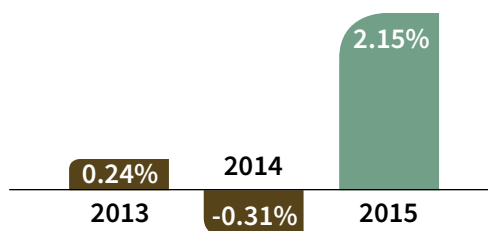
Once a decision is determined the outcome is advised to the relevant person or authority.

Organisation Chart



Financial Indicators

1. Operating Surplus Ratio



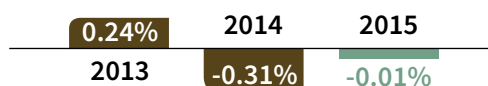
Purpose of Operating Surplus Ratio

This indicator is to determine the percentage the major controllable revenue source varies from operating expenditure.

2014/15 Ratio 2%

It should be noted that the receipt of advance payment of the Financial Assistance Grant in June 2015 after this practice was discontinued in 2013/14 has impacted on the 2014/15 ratio with receipt of an additional payment of \$648k on 30 June 2015.

1a. Adjusted Operating Surplus Ratio



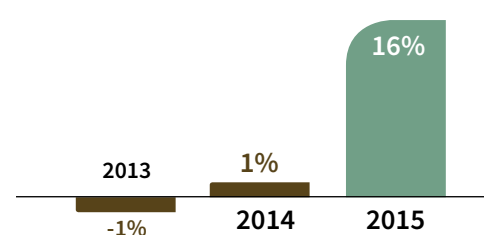
Purpose of Adjusted Operating Surplus Ratio

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

2014/15 Ratio 0%

Council's adopted policy is to maintain its operating surplus ratio at greater than or equal to zero, the adjusted ratio for 2014/15 is 0.01% with a three year average of (0.02%).

2. Net Financial Liabilities Ratio



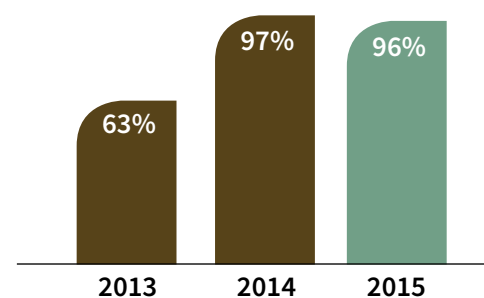
Purpose of Net Financial Liabilities Ratio

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

2014/15 Ratio 16%

Council's adopted policy is to maintain its net financial liabilities ratio at greater than zero but less than 80% of total operating revenue. Borrowing at 30 June 2015 included \$8m in drawn down Cash Advance Debenture funds in line with the revised annual budget and long term financial plan.

3. Asset Sustainability Ratio



Purpose of Asset Sustainability Ratio

This indicator aims to determine if assets are being renewed and replaced in an optimal way.

2014/15 Ratio 96%

Council's adopted policy is to maintain asset sustainability ratio of greater than or equal to 100% of Asset Management Plans.



Strategic Plan Goals

Economic Development

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

Outcome 1: New employment opportunities created in the region

Caravan Park

An Economic Benefit Report produced by the Caravan Park Industry in June 2015 estimates that the Mount Barker Caravan & Tourist Park generates an additional \$1,992,442 economic income in the region.

Planning Policy and Strategy

The Planning Policy and Strategy unit has worked on several significant strategic projects over 2014/15 that impact on new employment including;

- Gawler Street, Mount Barker Main Street Strategy
- Main Road, Nairne Main Street Strategy
- Mount Barker Regional Town Centre DPA
- Totness Employment Lands DPA.

Mount Lofty Ranges World Heritage Bid

Council has continued to be involved in the regional bid to nominate the working agricultural landscapes of the Mount Lofty Ranges for world heritage listing. The bid involves multiple stakeholders including 6 Councils, RDA and the private sector. Listing would increase investment and visitation to the region and create jobs.

Economic Development Strategy

Council adopted an Economic Development Strategy in June 2014 and has been implementing elements of that strategy in 2014/15. This has included a branding and marketing program which has resulted in a new brand and logo for the Council. A promotional brochure and testimonial video has also been produced.

National Growth Areas Alliance

Council was again a member of the NGAA in 2014/15 and hosted a tour as part of the inaugural NGAA congress Growth That Works: creating next generation industry and jobs in outer urban Australia focused on transitioning to the new economy.

Visitor Information Centre

The Adelaide Hills Visitor Information Centre in Hahndorf and the tourism website www.AdelaideHills.org.au has continued to develop and is central to tourism development in our region. The website has undergone a facelift and has additional functionality in partnership with Adelaide Hills Tourism. The Visitor Centre is manned by 20 volunteers, providing 5,000 hours of their time, servicing up to 40,000 visitors each year.

Art Projects

Council's role of supporting the Arts has again resulted in diverse and wonderful exhibitions and performances by local and visiting artists across many venues of the District. Sculptures at Crystal Lake, Adelaide Hills International Sculpture Symposium, SALA and Fringe Festivals are all evidence of opportunities that promote the District as a destination and compliment the talents and aspirations of Hills Artists.



Strategic Plan Goals

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.

Planning, Policy and Strategy

The Planning Policy and Strategy unit has worked on several significant strategic projects over 2014/15 including;

- Aquatic Feasibility Study
- Regional Recreation Detailed Concept Design
- Showgrounds Master Plan
- * Regional Public Health Plan
- Updated Population forecast
- Development Plan Amendment (DPA) Program;
 - Rural (Primary Production Protection) DPA
 - Nairne and Environs DPA.

In addition to the projects above the unit has continued to coordinate Council's growth area master planning and provide ongoing recreational, social and other strategic planning support to the organisation.

Development Assessment Panel

The Council's Development Assessment Panel met 8 times on 6 August 14, 17 September 14, 8 October 14, 19 November 14, 10 December 14, 18 February 15, 1 April 15 and 13 May 15.

Membership June Attendance

Roger Freeman (Independent Chairperson)	7
Ross Bateup (Independent Member)	8
Mike Canny (Independent Deputy Chairperson)	5
Lissa van Camp (Independent Member)	6
Roger Irvine	8
Trevor Corbell (June – December)	4
Carol Bailey	7
Harry Seager (from February – June 15)	3

Achievements

13 Development Applications reports were considered



Development Applications

There were 1,194 development applications lodged valued at \$136,321,435.

The number of planning assessments totalled 984.

The number of planning decisions issued totalled 913 of which 903 were approved, 10 were refused and 49 were withdrawn, lapsed or cancelled. The total of planning decisions issued includes:

Cat 1 applications	848
Cat 2 applications	44
Cat 3 applications	11
DAC applications	59

There were 986 building assessments completed.

Full approvals totalled valued at \$127,475,337.

Building Fire Safety Committee

The District Council of Mount Barker's Building Fire Safety Committee plays an important role in protecting the ongoing safety of the general public within the Mount Barker Council area.

The Committee's role is to inspect any given commercial building for the purpose of determining whether it achieves a minimal level of fire safety in accordance with current Building Code requirements, to ensure these buildings within the Mount Barker Council area are safe for occupation.

Membership

Membership of this Committee comprises of Council appointed officers who meet the specific qualifications criteria in accordance with Section 71(19)(a) of the Development Act 1993. The members are as follows:

- Favian Castello and Robert Gaetan – Council representatives who hold the prescribed qualifications in building surveying
- Peter Harmer – A person with expertise in the area of fire safety
- Colin Paton / Julian Aggiss – Persons nominated by the Chief Officer of the South Australian Country Fire Service.

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 since July 2014 and evaluated numerous 'high risk' commercial buildings including:

- A Sports Recreation Centre
- Two retirement village complexes
- A Large retail outlet
- A childcare building
- A Strawberry farm / manufacturing 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.

Additional Parks and Reserves

12,000 square metres of additional reserves have been handed over to Council including Gum Tree Drive Littlehampton, The Grove Mount Barker and a section within Bluestone estate.

Mowing

Mowing of new reserves has increased by an additional 4,000 square metres. Keith Stephenson Park continues to be mowed on a weekly basis as a category 1 reserve.

Garden Renewals

Parks and Gardens staff have been involved in the renovating of garden beds throughout the District including The Hahndorf main street and sections of the linear trail. Staff also provided assistance to resident groups which included Gollan Court, Mount Barker.

Community Land Management Plans

The following specific community land management plans have been partially completed and will be finalised in 2015/16:

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

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 597 onsite plumbing inspections were conducted.

There were a further 70 general health complaints investigated which included issues associated with 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. A number of other inspections were completed regarding public swimming pools in the region and compliance checks on public facilities which have warm water systems installed.

Food premises inspected	286
Food safety training sessions for volunteer organisations and food premises staff	1
Wastewater systems assessed	328

Council has worked with five other Councils (Alexandrina, Victor Harbor, Adelaide Hills, Yankalilla and Kangaroo Island) to produce a regional Public Health Plan. The Regional Public Health Plan has recently been endorsed by the Department of Health and Ageing with positive comments relating to the content.

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 are vital to assist in protecting and maintaining Council's infrastructure.

2,225 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. A total of 156 applications were assessed during the reporting period, this included hoarding, stormwater crossovers and underground service applications.

Public Safety

The Public Safety Officers 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 7,772 dogs registered in 2014/15. Forty nine (49) reserves and other public places were patrolled to ensure that people are walking their dog on a leash.

Animal related enquiry	959
Dog attack or complaints	57
Wandering at large complaints	285
Outdoor dining permits	20

The public safety officers continue to monitor school parking zones and performed 309 patrols of schools within the Council area. The Public Safety Officers monitor general parking zones throughout our major towns as well as routine monitoring major shopping centre car parks in Mount Barker.

Council conducted an extensive communication campaign on safe parking including advertising in local newspapers, local radio and in Council newsletters and website. Other communications included information sent to all schools in the district and the provision of educational bookmarks at the library.

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.

Council also assisted Emergency Services agencies and the Adelaide Hills Council in the response and recovering effort in relation to the Sampson Flat bushfire.

Infrastructure Network

Maintenance was completed works on 44 sealed roads, 32 unsealed roads, bridges and 7 footpaths as determined in the asset management plan.

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

Wastewater

There was a significant body of work done to further develop the wastewater and recycled water strategies to cater for the increased wastewater load that would be generated due to growth. A number of developers have signed up with Council for their wastewater requirements.

Construction of an additional Continuous Membrane Filtration (CMF) plant at the Springs Road treatment plant site was completed.

Construction of a new wastewater treatment plant at Meadows to service the entire township was also completed. 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 and recycling of wastewater collected from the townships of Mount Barker, Littlehampton and Nairne has seen an increase in demand for recycled water with over 1.27 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.

In order to increase the supply of water to the Laratinga wetlands and the recycled water customers, a stormwater harvesting project was also completed.

Irrigation

Parks and Reserves were irrigated between October 2014 through to March 2015. Both recycled and bore water continue to be important sources of water.

Laratinga Wetlands

10 tours of the wetlands were undertaken by staff. The groups included schools and International visitors. They were educated on the benefits that the wetland provides to the community, and the biodiversity value.

Outcome 4: Transport infrastructure to meet community need

Capital Works Projects

Capital project workload was substantial with two significant, multi-stage road upgrades reaching completion namely, Bald Hills Road and Alexandrina Road. The important Druids Ave/ Cameron Road roundabout was also constructed as was Stage 1 of the North Road, Nairne traffic calming devices. Also at Nairne undergrounding of the overhead power lines with a section of the historic main street was completed by SA power Networks. In Mt Barker the upgrade of Hampden Road was fulfilled together with road safety improvements at the intersection of Morphet and Walker Streets in the town centre.

Other significant multi-year projects that were commenced after significant advocacy work by Council were the New Freeway Interchange at Bald Hills Rd and the upgrade of the Bald Hills Road / Old Princes Highway junction.

Council adopted prioritisation criteria for minor stormwater projects covering criteria such as flood risk and maintenance costs. Approximately 7 minor projects were undertaken to address areas with no formal drainage (eg Kanmantoo) as well as some creek channel clearing and desilting in the Mt Barker and Littlehampton areas. The successful outcomes achieved demonstrate Council's commitment to stormwater management and flood protection through delivery of prioritised minor projects.

Other notable projects completed were:

- Pedestrian Bridge and footpath access at Bridge Street Nairne
- West Terrace Drainage at Callington
- Stage 1 of Kanmantoo drainage upgrades
- Numerous other minor stormwater upgrades
- Hahndorf Recreation Grounds Drainage
- Railway Creek footbridge.



Strategic Plan Goals

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

Tree Management

Parks and Gardens staff continue to be involved in tree management throughout the district including planting, watering and formal pruning of over 250 new street trees. Council undertook significant box and dome pruning on the unsealed road network. Several unseasonal storm events also affected the tree management program.

Revegetation

Parks and Gardens staff assisted in the planting of up to 6,500 new plants. They continue to maintain these areas with a success rate of approximately 75%.

Mulching

1,000 cubic metres of mulch has been spread throughout the district and this has reduced the need for herbicides. Mulch used has included recycled Green waste from the Transfer station. Pine bark has been used in the higher profile areas.

Waste Services

The kerbside waste disposed to landfill in 2014/15 was 6,367 tonnes, compared to 6,125 tonnes in 2013/14. The total number of households within the Council area where waste collection is provided increased by 369 households. The waste disposed to landfill has increased from 8.6kg/hh/wk to 8.7kg/hh/wk, an increase of 0.1kg/hh/wk or 1.2%.

Total tonnes recycled increased by 24 tonnes, with 2,657 tonnes of recycling being collected in 2014/15 compared to 2,633 tonnes of recycling being collected in 2013/14.

Total tonnes of green organics composted increased by 111 tonnes, with 2,981 tonnes being collected in 2014/15 compared to 2,871 tonnes being collected in 2013/14.

Overall diversion of waste from landfill remained steady at 47%.

Open Space and Environment

Local and community events were held including Clean up Australia day, World Environment Day, National Tree Day, Volunteer Celebration Event and Sustainable Gardens.

The first dog park for the Council area was in the process of being developed on land provided by Electranet.

Council participated in the successful Bush for Life program.

Other projects undertaken included:

- Stage 1 of the RSL Memorial – Avenue of Honour at Keith Stephenson Park has been completed.

- A biological Survey of MDPA Land was undertaken.
- Restoration of Mount Barker Creek near Anembo Park
- Million Trees Program – Mount Barker Creek
- Laratinga Environmental Management and Reserve Upgrade
- Pioneer Gardens Project completed
- Hurling Trail Stage 1 landscape treatments and furniture (between Laratinga trail and Alexandrina Road).
- Alexandrina Road Stage 1 and 2 landscape treatments.

Ongoing programs continue on trails planning and development, revegetation and community tree planting, street tree and reserve tree planting and roadside vegetation management.

Outcome 6: Reduced greenhouse gas emissions

Council participated in the Local Government Greenhouse Reporting Pilot Program. Greenhouse gas emissions were also reduced by the revegetation and street tree planting program and million trees program.

Council also educates its community about reducing greenhouse gas emissions with community events and newsletters.

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

Clearing of weeds from watercourses is fundamental to improving the health of waterways. In conjunction with the Natural Resource Management Board and Adelaide Hills Council, weeds were cleared from the Onkaparinga River adjacent to Goyder Reserve and Western Flat Creek.

As a result of a number of studies undertaken to assess the impact anticipated climate change will have on communities, water dependent industries and urban water resources management, seven Councils within the SA Murray-Darling basin (including Mount Barker) joined to undertake a DPA to amend Development Plan policy to ensure that future growth is sustainable in terms of water quality and quantity, under predicted future climatic conditions.

The DPA process is being led by the SA Murray-Darling Basin Natural Resources Management (NRM) Board. Community consultation occurred on the proposed policy changes affecting the Mount Barker District Council which are, in summary:

- the inclusion of additional policies in the Natural Resources section as 'local additions', primarily under the Water Sensitive Design and Water Catchment Areas sub-headings, and the retention of current local additions
- the inclusion of maps delineating 'Water Management Areas' in the Development Plan (showing the River Murray Tributaries Area,) and an associated Principle of Development Control, reinforcing the need to consider the potential impact of proposed developments on the water resources of the Area.

The completion of the new wastewater treatment plant at Meadows will provide non-potable water (not for drinking purposes) to new homes in the Mawson Green residential development.

Strategic Plan Goals

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.

New trails were provided at the following locations:

- Linear Trail – Laratinga Trail to Alexandrina Road
- Linear Trail – Hampden Road to Power Court
- Linear Trail – Keith Stephenson Park to Memorial Drive.

Environmental Services Centre Wetlands

The Asset Management Plan provided priorities new footpaths which were provided at:

Mount Barker Robin Street, Willow Drive, Willow Close, Fletcher Road.

Meadows Battunga Road.

Footpaths were replaced at:

Littlehampton North Terrace

Nairne Oakford Estate Reserve.

Outcome 9: Sport and recreation facilities to meet community need.

Playgrounds

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

Community / Recreation Assets

Recreation facilities projects:

- Hahndorf Recreation Grounds Change Room Gutter Replacement
- Mt Barker Tennis Court Resurfacing and Lighting
- Mt Barker Cricket Club – Cricket Net Redevelopment
- Nairne Sporting Complex Stage 1.

Key Outcomes for the 2014/15 financial year:

- Continuation of rectification works on building and recreation assets relating to the fire safety audit outcomes.
- Standard Management Agreements, Repair and Maintenance Guides, Fire Safety Audit Reports recommendations and outcomes, Business Plans and the Safe Drinking Water Act.

Outcome 10: Community facilities and programs to meet community need.

Immunisation

Council's immunisation service provides a range of programs to support the community and reduce preventable diseases. The service conducts weekly public immunisation clinics, undertakes work site vaccination programs, and each year completes the school immunisation program.

Since January 2015 Council has also provided immunisation services to schools within the Rural City of Murray Bridge and also conducted a monthly public clinic.

The influenza vaccine supply was delayed by 6 weeks resulting in an increase in staff workload during April and May.

School students	658
Vaccines administered at schools programs	2,322
Attendance at public clinics	1,415
Total vaccines at public clinics	2,322
Worksites visited	20
Influenza vaccines provided at worksites	617

Youth

The district's young people have varied interests and needs which have been served by innovative and engaging opportunities over the last 12 months via Council's Youth Development Program.

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 continues to support ongoing key youth sector activities and programs such as the Adelaide Hills Youth Sector Network and the local chapter of Operation Flinders.



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 and brokers or provides transport to people in the Adelaide Hills region who do not have any other option. Council has the assistance of 21 volunteer drivers who contributed 3,413 hours of driving.

Staff received 194 enquiries and 292 people undertook 3,275 one-way trips, which was similar to the previous year. Approximately 114,613 kilometres were travelled. The majority of trips (81%) were for medical, health and specialist appointments, while other trips enabled people to visit their spouses in hospitals and aged care facilities, attend exercise class and other social activities, do their shopping and pay their bills. Around 82% of clients, are over 65 years of age.

Shopping Shuttle Service

The Mount Barker Shopping Shuttle, funded by The District Council of Mount Barker and administered by Hills Community Transport delivered 1,550 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.

12 volunteers provided around 890 hours as drivers or shopping assistants.

Community Bus

Council has completed a 12 month trial of a community bus charter service at the end of April 2015 which has been extended until 30 June 2016.

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 for \$165 per day, including 100 kilometres. Extra kilometres are charged at \$1.65 per kilometre.

During the 2014/15 year 17 community groups used the service on 45 occasions. 8 volunteers provided 249 hours driving the community bus.

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, Social Options and Respite programs 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 these much needed services to support those most in need to remain independent within their own homes. Global Care and Adelaide Hills Kiwanis volunteers provided 159 hours with 23 other volunteers providing 1,378 hours of assistance.

Home Assist provides minor home and garden maintenance, short and long term cleaning, spring cleaning, window cleaning, rubbish removal and home security checks. The programs provided the following assistance:

	Clients	Occasions of Service	Hours of Service
Cleaning	123	1,605	1,879
Spring cleaning	33	43	95
Window cleaning	69	70	133
Rubbish removal	59	81	149
Home maintenance	202	226	470
Garden maintenance	112	137	439
TOTAL	598	2,162	3,165

The Social Options Program provided the following assistance.

	Clients	Occasions of Service	Hours of Service
Individual social support	22	229	511
Group outings	230	1,244	4,859
Shopping assistance	7	34	68
TOTAL	259	1,507	5,438

The 'Take a Break' respite program provided 10 carers of people with a disability with 87 occasions of respite totalling 396 hours.

Library Services

	2014/15	2013/14
New Items	5,744	6,527
Program Activities	406	432
Program Attendance	21,813	22,987

More than 217,000 visitors come through the doors of the Mount Barker Community Library and approximately 380,000 books, DVDs, CDs, magazines and toys loaned out to members of the community, TAFE SA 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.

21,813 people participated in 406 library activities over the year which included author events, information sessions, theatrical performances, Latin Jazz night, family holiday activities, history talks and exhibitions.

The library's collection of online resources including eBooks and eMagazines continued to develop over the year with a wide range of materials becoming available for all age groups. These collections are expected to grow in coming years with a big increase in the number of electronic magazine titles becoming accessible in the second half of 2015.



Mount Barker Caravan and Tourist Park

There were 35,511 visitors to the park. The Park maintained a 3.5 Star rating and reported an operating surplus of \$302,370.

Some improvements include:

- Painting of executive cabins and exterior of amenities block 2
- New signage
- Replacement air conditioners in several cabins
- Improvement in outside lighting
- Some cabin refurbishment
- Replacement washing machines.

Building and Recreation Assets

Maintenance occurred at:

- 325 structures, including 29 public toilets;
- 1,318 street park furniture, including barbecues;
- 149 individual play equipment comprising of 33 playgrounds;
- 50 buildings for sports venues, halls & institutes;
- 31 buildings for other building & recreation 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, Mount Barker Town Hall & Adelaide Hills Recreation Centre.

Completed Projects related to New Assets:

District	Adelaide Hills International Sculpture Symposium – 3 sculptures
Hahndorf	Hahndorf Academy Lift Design
Littlehampton	Hall Toilets Stage 2 Design and Costing
Meadows	RV Dump Point
Mt Barker	Cemetery – Public Convenience
Nairne	Soldiers' Memorial Hall Audit for Transfer of Ownership to Council.

Completed Projects (design and/or construction) related to Renewals:

Hahndorf	Alec Johnston Park Public Convenience Institute Exit Lighting Upgrade Waste Transfer Station Electrical Upgrade
Kanmantoo	Hall Gutter Replacement
Littlehampton	Anembo Park 4 x Track Renewal
Macclesfield	Davenport Square Gazebo & BBQ Renewal
Meadows	Meadows Bike Track Renewal
Mt Barker	Laratinga Reserve Upgrade Library Interior Redesign and Refurbishment Plan Caravan Park Exit and Floodlights Upgrade Department of Families and Communities (leased from Council) air-conditioning renewal and verandah renewal
Nairne	Matthew Road Playground Renewal and Bike Track Renewal

Asbestos was removed from the following locations:

- Adelaide Hills Recreation Centre – switchboard
- Mt Barker Tourist Park – shower block fans
- Keith Stephenson Park – a section of crushed water pipe
- Hahndorf Bowling Club – storage shed
- Echunga Recreation Grounds Public Toilet – ceiling
- Mick Murphy Park Tennis Club – removed asbestos from ceiling
- Hahndorf Farm Shed – switchboard
- Meadows Recreation Grounds – pump gaskets.

Strategic Plan Goals

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.

Arts, Culture and Recreation

Council was able to partner with the community, government and nongovernment organisations to deliver both passive and formal activities.

Council participated in the Adelaide Hills Aboriginal Services and 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. This forum runs parallel with a number of activities and discussions that are benefitting from the input and insight of Peramangk and other Aboriginal people.

Relationships have been developed with both organisations and individuals that have resulted in Council's involvement in Reconciliation Week celebrations that are recognised as amongst the best supported events in the State.

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

Tourism and Events

A number of significant events occurred throughout the District.

These included the 2015 Santos Tour Down Under and Bupa Challenge Tour finishes in Mount Barker, the All British Day at Echunga, the MRA Toy Run at Callington, Meadows Country and Easter Fairs, Callington and Mount Barker Shows, Power of the Past and the relocation of the Mount Barker Highland Gathering to Keith Stephenson Park.

Council's Australia Day Celebrations at Auchendarroch House attracted a large crowd and the 2014 Callington Show was named as Council's Event of the Year for the second time in three years.

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. 'From Footprint to Footplate', the flagship event of the 175th calendar, was held on the Mount Barker Railway Station, and creatively portrayed the history of each town.

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

Volunteering – Regionally

In May 2015 the annual Regional Volunteer Movie Day was held at Wallis Cinemas Mount Barker. A record 1,338 volunteer surveys were completed across the region, with a record 981 volunteers attended on the day. Data from the survey is used to identify needs, plan, and develop future programs across the region. An increase in younger volunteers and many other 'first time' attendees attending the popular day was also recorded.



Strategic Plan Goals

Governance and Leadership

Council Volunteers

Two long serving volunteers who began in the Local History Centre in the 1990's retired earlier this year. During this time they have delivered over 4,500 hours of service to the program. In recognition of their dedication they received the Premier's Certificate of Recognition for outstanding volunteer service presented at a celebratory morning tea.

Council maintains a pool of around 169 active volunteers across seven programs who have gifted around 16,568 hours. This equates to an estimated in-kind dollar value of \$454,792 contribution to the community.

Activities include Hills Community Transport, Friendly Visiting and Social Options, Local History, Toy Library, Story-time, Collection Maintenance, Justice of the Peace Day Room Services, Events, Visitor Information Centre, GET Proud Graffiti Program and Laratinga Wetlands.

In addition two new youth volunteer programs, Pyro Graphix Public Artists and Barker Crew Skate Park Coaches have been developed. It is anticipated that these programs will assist young volunteers to further develop their skills, provide a meaningful contribution to the community and hopefully open up vocational pathways for them. Their volunteer efforts will also be recognised under the Duke of Edinburgh Awards. The GET Proud and Pyro Graphix teams will continue to work collaboratively to combat graffiti vandalism.

Council has worked with Hills Volunteering using funds received from an Office of Volunteering grant in 2014 to deliver training across regional community groups. The majority of sessions were provided free of charge, or at a minimal cost to regional volunteers. Non volunteering community members were also invited and encouraged to attend.

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.

Strategic Plan review

A process to develop a new Strategic Plan commenced with the election of a new Council. Community engagement to inform the drafting of the new strategic plan occurred in the first half of 2015. A new plan is expected to be adopted by the end of 2015.

Local Government Election

Councils are required to hold elections every 4 years with the last election taking place in November 2014. There was no election for the Mayor or South Ward Councillors as the number of nominations did not exceed the number of positions.

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.

	Electors	Total Council Members	Representation Quota
Cooper Pedy	1,123	9	124
Mount Barker	21,864	11	1,987
Mount Gambier	18,485	11	1,680
Port Augusta	9,244	10	924
Port Lincoln	9,946	11	904
Whyalla	14,832	10	1,483
Roxby Downs [#]			

[#] Roxby Downs does not have an elected Council

Source: Electoral Commission of South Australia, February 2015.

Representation Review

The last undertook a Representation Review in 2013 where the only change was Paechtown moving from Central Ward into North Ward.

In accordance with the existing provisions in Section 12 of the Local Government Act 1999, each Council is required to review all aspects of the composition of the Council, including ward boundaries, at least once in each relevant period that is prescribed by the regulations. Section 12 also provides the process and timeframes for Councils to following when undertaking the elector representation review. Community submissions are invited at key stages of the review. The Council is then provided with a report on the consultation and the proposals for amendment (if any). The report is then submitted to the Electoral Commissioner to determine if the requirements of the review have been satisfied

Council Member Induction

An induction was provided to ensure that Council Members were prepared to undertake their role. The induction process occurred over a 6 month period and included:

- Undertaking to discharge the members duties conscientiously and to the best of their ability
- Relationship building
- Roles and responsibilities
- Mandatory training as required under the Local Government Act 1999
- Strategic Directions
- Building Orientation.

Risk Management

The Risk Management Framework was reviewed to ensure it complied with the Standards and Guidelines released in 2013 (SA/SNZ HB 436:2013 – Risk Management Guidelines – Companion to AS/NZS ISO 31000:2009).

Policies Reviewed or Endorsed

- Council Members Training and Development Policy, Procedure and Plan
- Order Making Policy
- Council Members' Allowances and Benefits Policy
- Internal Control Policy
- Kerbside Waste, Recycling and Green Organics Collection service Policy
- Prudential Management Policy
- Records and Information Management Policy
- Recreation, Sport and Community Infrastructure: In Kind Contributions Policy
- Recycled Water Sale Policy
- Risk Management Policy
- Separate Rates MDPA Infrastructure: Payment, Rebate, Remissions, Postponement Policy
- Trade Waste Discharge Policy
- Wastewater Infrastructure Fees and Augmentations Costs 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.

In addition Council has adopted an optional Code – a Code of Practice for Meeting Procedures.

Freedom of Information Requests

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



Council Member Meeting Attendance at Council Meetings

Between July 2014 – November 2014 Council had 10 meetings:

Council Member	Attendance	Council Member	Attendance
Mayor Ann Ferguson	8	Cr Lyn Stokes	8
Cr Roger Irvine	8	Cr Ian Grosser	7
Cr Jeff Bettcher	9	Cr Lindsay Campbell	7
Cr Carol Bailey	10	Cr Robert Heath	10
Cr Simon Westwood	10	Cr Susan Hamilton	9
Cr Trevor Corbell	10		

Between December 2014 – June 2015 Council had 14 meetings:

Council Member	Attendance	Council Member	Attendance
Mayor Ann Ferguson	13	Cr Harry Seager	14
Cr Roger Irvine	11	Cr Ian Grosser	13
Cr Jeff Bettcher	14	Cr Lindsay Campbell	10
Cr Carol Bailey	14	Cr Trevor Keen	13
Cr Greg Morrison	14	Cr Trevor Corbell	12
Cr Susan Hamilton	14		

Council Member Training and Development

Council has a Training and Development Policy and Training and Development Plan. In addition Council has an Induction Policy and Plan to ensure the new Council is able to fulfil its roles and build a positive team relationship with senior staff.

The following training was undertaken by some Council Members:

- Mandatory Training required under the Local Government Act 1999:
- Introduction to Local Government
- Legal Responsibilities
- Council and Committee Meetings
- Financial Management and Reporting
- National General Assembly Canberra
- Norman Waterhouse Local Government Conference
- DAP Fundamentals Training
- New Council Members' Residential Program
- Mainstreet SA Conference
- Youth Conference
- Forestry Conference
- Municipal Association of Victoria (MAV) Conference

Internal Review of a Council Decision

Four (4) Internal reviews were received and concluded.

The reviews concluded were related to:

- 1) Reviewing the decision to remove some trees on Druids Avenue. The investigation on behalf of the Council was undertaken by an external reviewer.
Outcome: The investigator made recommendations which were adopted by Council.
- 2) Reviewing the decision on the location of a garden bed and reduction of access to a property as part of the Hutchinson / Morphet Streets upgrade.
Outcome: The complainant was advised to submit a permit for a crossover.
- 3) Reviewing the decision to proceed to build a skatepark at Davenport Square Macclesfield. The investigations on behalf of Council was undertaken by an external reviewer.
Outcome: The investigator recommended a further consultation process be undertaken. Council was provided with the result of the consultation and confirmed to progress the skatepark at this location.
- 4) Reviewing the decision to lease a parcel of land.
Outcome: The review was refused based on the fact that the lease was up for renewal and that the future lease would be via expressions of interest. In addition Council included in the draft Annual Business Plan for 2015/16 a Master Plan for Littlehampton that included this land parcel. Council considered all the expressions of interest and determined to lease the land to the previous lessee.

Ombudsman's Investigations

Two (2) Ombudsman Investigations from 2013/14 were concluded in 2014/15 and were related to:

1. A complaint regarding the time taken to assess a development application for a community title.
2. The development approval process related to item (1) from the adjacent landowner.

Outcome: The Ombudsman undertook a 'own initiative' investigation of the combination of the two above complaints.

The investigation identified that Council had acted in a manner that was wrong by not taking into account the LMA and failing to identify relevant development plan provisions, by issuing a section 51 clearance when it was not satisfied that requirements had been met, and by not making the complainant aware of the ability to make a section 41 application. As Council had already taken action, the only recommendation made was that a procedure be developed for making applicants aware of their recourse under section 41 of the Development Act 1993.

The Ombudsman conducted two (2) investigations during this period in relation to:

1. A complaint regarding an inadequate response related a code of conduct complaint regarding an employee.

Outcome: The Ombudsman concluded that Council did not act in a way that was unlawful, unreasonable or wrong.

2. A complaint regarding the processes related to the decision to construct a skatepark at Macclesfield and a code of conduct complaint regarding an employee.

Outcome: The Ombudsman concluded that Council did not act in a way that was unlawful, unreasonable or wrong.

Council and Committee Member Allowances and Benefits

The Mayor's allowance was \$60,137, the Deputy Mayor's allowance was \$18,791 and the Councillors' allowance was \$15,034.

The Chair of the Strategic Planning and Development Policy Committee (Cr Campbell) was paid the same allowance as the Deputy Mayor.

The Chair of the Community Grants Assessment Committee (Cr Hamilton) was paid a sitting fee of \$150 per meeting.

The Audit Committee Independent Members were paid:

- Chairperson (Michael Bails): \$440 per meeting
- Greg Holman and Chris Howis: \$330 per meeting

The Development Assessment Panel Members were paid:

- Chairperson (Roger Freeman): \$450 per meeting
- Mike Canny, Ross Bateup, Dr Lissa van Camp: \$380 per meeting
- Carol Bailey, Roger Irvine, Harry Seager: \$380 per meeting

Auditor's Remuneration

Council Auditor for 2014/15 was BDO. Remuneration paid for the annual audit of Council's financial statements was \$20,800.

Executive Officers Salaries/Benefits

Chief Executive Officer	\$227,285
4 General Managers	\$142,302 - \$169,753

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

Confidential Items – Council Meetings

1. The Council made six (6) confidential orders representing 3% 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

1.09.2014 CEO's Review

No

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

18.08.2014 Land Acquisition Opportunity

Yes

1.09.2014 Proposed Road Closure and Sale of Land

No

15.09.2014 Progress of Land Purchase

Yes

18.05.2015 Regional Tender for Waste, Recycling, Green Organics & Street Litter Bin Collection Services for Recycling /Green Organics Processing Services

Yes
(other than name of contractor & amount)

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

4.08.2014 Monarto Quarry

Yes



2. 7 items expired, ceased to apply or were revoked during the financial year as listed below:

Date	Subject
15.04.2013	Land Acquisition Opportunity
20.01.2014	Independent Members of Strategic Planning Development Policy Committee
7.04.2014	Land Acquisition Opportunity
26.05.2014	Land Acquisition Opportunity
23.06.2014	Strategic Land Acquisition Opportunity
18.08.2014	Land Acquisition Opportunity
15.09.2014	Progress of Land Purchase

3. There are 13 confidential items that remained operative or part operative at the end of the financial year as listed below (excluding orders made before November 2010).

Date	Topic
20.02.2012	Monarto Quarries Expression of Interest
19.03.2012	Monarto Quarries Expression of Interest
2.10.2012	Monarto Quarries Expression of Interest
3.12.2012	AHRWMA
17.06.2013	October 2008 Ombudsman's report
17.06.2013	December 2008 Ombudsman's report
17.06.2013	2009 Ombudsman's report
16.12.2013	AHRWMA
16.12.2013	Outcome of First Stage Office and Multi-level Carpark EOI
23.06.2014	Multi-Deck Car Park & Council Office Accommodation
4.08.2014	Monarto Quarries
1.09.2014	Proposed Road Closure and Sale of Land
16.05.2015	Regional Tender for Waste, Recycling, Green Organics & Street Litter Bin Collection Services for Recycling /Green Organics Processing Services

Confidential Items – Audit Committee Committee's

Orders made under 90(3)(b)

- (b) information the disclosure of which –
- 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
 - would, on balance, be contrary to the public interest;

Section 91(7)

19.02.2015	Meeting with the Auditors	No
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National Competition Policy

Significant Business Activities – 2014/15 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 2014/15 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.

Records

Council added 109,952 records to its records management system compared to 120,970 last year.

Council implemented a new Business Classification Scheme which has improved the file structure and assists in finding files more efficiently. Council has applied to State Records for GDS21 Compliance and instituted a fully electronic Records Management System as of 1 July 2015. This will greatly reduce the amount of paper and make for a more efficient and reliable system.

People and Culture

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

- Disqualification of Licence Procedure
- Employee Conduct Complaint Resolution Procedure
- Fair Treatment in the Workplace Policy
- Management of Staff Establishment Procedure
- Return to Work Procedure for Non-Work Related Injuries/Illnesses
- Work Experience Procedure.

An Organisation Development Strategy was developed and has commenced its implementation that focuses on the following three priority areas that were identified from a series of consultative processes with all staff.

- Integration and Planning – Integrate and align planning, business and resource management processes to improve outcomes.
- Leadership Development – Develop our leadership capacity to ensure consistent and tangible leadership outcomes.
- Communication – Establish an internal communications framework to ensure effective communication across all levels of Council.

All staff and managers attended Mental Health Awareness sessions and were also provided with the opportunity to participate in the Healthy Lifestyle Program that included health assessments, skin cancer screening, audiometric testing and health coaching sessions.

Work Health & Safety

Council has endorsed a Work Health Safety & Injury Management Plan to systematically address legislative requirements as well as local government workers compensation scheme requirements. The aim of the Plan is to:

- Review, develop and implement a robust Hazard Management System for the outdoor crew, and
- Develop a strategic Training Needs Analysis that captures WHS training for all positions within council.

Work Cover

Total Claims	10
Lost Time	2 claims resulted in lost time with a total of 168 days lost
Demographic	Male: 9 Female: 1



Comparison by year for number of:

• Lost Time Injuries:

2010	4
2011	1
2012	2
2013	1
2014	3
2015	2

• Work Cover Claims:

2010	8
2011	2
2012	7
2013	2
2014	8
2015	10

Rebate / Penalty Summary

3 Year Period	2013	2014	2015
Contribution	\$1,668,045	\$1,774,336	\$1,927,818
Claims Paid	\$230,851	\$152,658	\$113,1238
Loss Ratio	13.0%	8.0%	5.0%
Rebate Indication	47.9%	50.6%	52.25%

Hazard, Injury & Incident Report

Incident report with no injury	27
Incident report with injury sustained	26
Hazard Report	5
Vehicle /Property Damage	3
TOTAL	61

Information, Communication and Technology (ICT)

As per prudent asset management principles Council replaced servers and personal computers that were installed in 2010. Council migrated to 'Cloud Services' to remove dependence on on-premises IT infrastructure and so that employees can utilise all existing business systems from any location with any device at an acceptable performance level.

Strategic Planning & Development Policy Committee

The Strategic Planning and Development Policy Committee held 3 meetings in 2014/15 at 4.30pm on 11 August 2014, 13 October 2014 and 9 February 2015.

Membership November 2014 - June 2015

Council Member	Attendance	Council Member	Attendance
Cr Campbell (Chairperson)	1	Cr Trevor Keen	1
Mayor Ferguson	1	Cr Jeff Bettcher	1
Cr Greg Morrison	1	Cr Susan Hamilton	1
Cr Ian Grosser	1	Cr Trevor Corbell	0

Membership June - November 2014

Council Member	Attendance	Council Member	Attendance
Mayor Ferguson (Chairperson)	2	Cr Westwood (Deputy Chair)	2
Cr Stokes	2	Cr Hamilton	2
Cr Grosser	2	Cr Heath	0
Cr Bettcher	1	Cr Campbell	1

Committee Achievements:

The Committee made recommendations to Council on the following topics:

- Progress on the Regional Public Health Plan
- Revised Master Plan for the Mount Barker Urban Growth Area
- Draft Mount Barker Regional Town Centre DPA
- Statement of Intent for the Totness Employment Lands DPA

Community Grants Assessment Committee

This Committee met twice on 15 August 2014 and 2 April 2015.

Membership November 2014 - June 2015

Council Member	Attendance
Cr Hamilton (Chairperson)	1
Mayor Ferguson	1
Cr Corbell	1
Cr Keen	1

Membership June – November 2014

Council Member	Attendance
Cr Stokes (Chairperson)	1
Mayor Ferguson	1
Cr Corbell	1
Cr Hamilton	1

Committee Activities:

The Council provided \$65,490 for two rounds of community grants. The assessment process is conducted by the Committee which recommended 41 grants be provided to various community groups and associations.

The Committee also recommended approving discretionary rate rebates to 11 organisations.

Audit Committee

This Committee met on 5 occasions at 8am on 21 August 14, 16 October 14, 19 February 15, 16 April 15, 18 June 15.

Membership November 2014 - June 2015

Member	Attendance
Michael Bails (Independent Chairperson)	3
Chris Howis (Independent Member)	3
Greg Holman (Independent Member)	3
Cr Bettcher	3
Cr Corbell	2

Membership July - November 2014

Member	Attendance
Michael Bails (Independent Chairperson)	2
Chris Howis (Independent Member)	2
Greg Holman (Independent Member)	2
Cr Bettcher	0
Cr Irvine	0
Cr Corbell (proxy member)	1
Mayor Ferguson (proxy member)	1

Audit Committee Annual Report 2014/15:

2015 Chairperson's Comments: Attachment 1

AUDIT COMMITTEE ANNUAL REPORT TO COUNCIL

The Local Government Act 1999 requires that all South Australian Councils establish an audit committee.

Although the name implies that the committee must be preoccupied with the financial affairs of a Council, Audit Committees serve their communities with a much broader function – that as a local and independent observer of Council decisions and operations.

Council's Audit Committee does not have a management function or any power to direct or bind the Council. It does not conduct financial or compliance audits, nor is it entitled to.

Its purpose is to enquire, observe and then report to Council its concerns and observations that relate to Council operations, policies, risk and compliance.

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 community values and aspirations set out in Council's many plans and policies.

Council's Audit Committee met five times during the reporting period to work through a scheduled program of review.

2014/15 financial year saw urban growth continue to gain momentum in the District as the development of the land parcels zoned in the 2010 Ministerial Development Plan Amendment (MDPA) spread across the district.

Council has shifted from a preparing and planning for growth phase into one of active involvement in the management of urban growth and its impact on Council resources.

A programme of major capital works has also commenced, involving partnerships with the Federal and State Governments and innovative engagement with developers. This has resulted in significant expansion of the land available to Council for recreation and sport through the acquisition of the polo grounds together with additional land South of Bollen Road.

Council's management of its budgets and financial affairs in the years ahead will continue to deal with the challenge balancing an expanding programme of capital works with the finite resources available to it and the community.

The Audit Committee thanks and acknowledges the support and cooperation of Council staff and its elected members during the 2014/15 financial year.

Council Elections in 2014 saw the retirement of Councillor Roger Irvine from the Committee, the appointment of Councillor Trevor Corbell and the continuation of Councillor Jeff Bettcher as Council Audit Committee representatives. The committee formally thanks Councillor Roger Irvine for his contribution.

In closing I believe the community is well served by a Council and administration who have demonstrated a genuine and enthusiastic approach to improving systems and processes.

Meetings of the Council's Audit Committee are open to the public and the community are welcome to attend.

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 2014/15 financial year.



Membership and Meetings:

Five (5) meetings were held on 21 August 14, 16 October 14, 19 February 15, 16 April 15, 18 June 15.

Membership July - November 2014 Attendance

Member	Attendance
Michael Bails (Independent Chairperson)	2
Chris Howis (Independent Member)	2
Greg Holman (Independent Member)	2
Cr Bettcher	0
Cr Irvine	0
Cr Corbell (proxy member)	1
Mayor Ferguson (proxy member)	1

Membership November 2014 – June 2015

Member	Attendance
Michael Bails (Independent Chairperson)	3
Chris Howis (Independent Member)	3
Greg Holman (Independent Member)	3
Cr Bettcher	3
Cr Corbell	2

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).

Principal issues examined and recommendations:

External Audit	19.02.2015 Meeting with Auditors in Confidence No recommendation to Council. Audit Plan That the Auditors Audit Plan be noted.
Risk Management & Internal Controls	21.08.2014 Risk Management That the report be noted. Review of Leave Liability That the Audit Committee notes the report. 16.10.2014 Revised Risk Management Framework That the report be noted. 19.02.2015 Risk Management That the report be noted 16.04.2015 Work Health and Safety Update That the Committee note the report. 18.06.2015 Risk Management That the report be noted.
Financial Reporting	21.08.2014 Long Term Financial Plan (2015-2024) That the Audit committee note the report. Report on Contractors and Consultants That the report be noted. 16.10.2014 Statutory Financial Statements of the Year Ending 30 June 2014 1. That the Financial Statements for the Year ending 30 June 2014 present fairly the state of affairs of the Council, and be presented to Council for adoption at its meeting on Monday, 3 November 2014. 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. Procurement (Progress and Future Plan) That the Audit Committee notes the report.

Financial Reporting (continued)

Financial Internal Controls That the report be noted. Review of Budget Process That the Committee note the report Report on Contractors and Consultants That the report be noted.
19.02.2015 Internal Control Policy review That the revised Internal Control Policy be adopted. Revised Prudential Management Policy That the revised Prudential Management Policy be adopted. Report on Contractors and Consultants That the report be noted. Car Parking Fund That the report be noted. 16.04.2015 Appointment of Internal Auditor That Bentley's SA Pty Ltd has been appointed as Council's Internal Auditor. Report on Contractors and Consultants That the report be noted.
18.06.2015 Outstanding Sundry Debtors That the Audit Committee Notes the report. Draft Annual Business Plan 2015/16 1. That it be a recommendation to Council <ul style="list-style-type: none"> to add another assumption on page 1 of the Annual Business Plan to clarify that funding is provided for all services and programs of the business plan to include an explanation that Separate Rates (other than Mt Barker Town Centre and Hahndorf) applies only to developers of specific parcels of land. 2. That the Audit Committee note the report. Indirect Developer Contributions That the report be noted. 31.05.2015 Capital Works Major Project Management Report That the Committee notes this report.

Whistle blowing

Nil – Legislation being reviewed

Other

21.08.2014

Audit Committee Self-Assessment
The report be noted and Committee member complete the assessment in 1 week.

2013/14 Audit Committee Annual Report
The Audit Committee's Annual Report for 2013/14 be adopted; and the Chairperson Michael Bails provide a short presentation at a Council workshop.

Annual Insurance

That the Audit Committee notes the report.

16.10.2014

Audit Committee Meeting Dates
The Audit Committee meet at 8am on the following dates in 2015, 19 February, 16 April, 18 June, 20 August, 15 October.

Building Asset Management

That the report be noted.

19.02.2015

Review of the Audit Committee Terms of Reference and Work Plan

1. the Work Plan for 2015 be adopted with an alteration to the date in October to 8 October 2015 and the inclusion of an Internal Audit Work Plan for 16 April 2015; and
Note: that the Work Plan may require further amendments due to internal control requirements.

2. that the Committee note the revised Terms of Reference approved by Council.

16.04.2015

Internal Review Undertaken by Audit Committee Chairperson
That the report be noted.

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

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

Grant Funding

Federal funding is extremely important for the continued delivery of Council's services and infrastructure. Council received \$1.2m in Federal Assistance Grants which represents the total funding of Council's library service.

Procurement

In 2014/15 Council issued 69 formal requests for tenders/quotations. The most significant of these were (estimated value in brackets):

- Kerbside waste/recycling services (\$10,700,000 over 7 years)
- Civil Works, including (estimates in brackets):
 - Hampden Road drainage & civil works (\$230,000)
 - North Road, Nairne traffic management (\$400,000)
 - Druids Ave/Cameron Rd intersection upgrade (\$500,000).
- Community Wastewater Management (CWMS)
 - Littlehampton gravity main upgrade (\$540,000).
- General
 - Supply of LPG to Mount Barker Caravan Park and Mountain Pool (\$125,000 over 3 years)
 - Debt collection services (\$195,000 over 3 years)
 - Resurfacing & lighting Mount Barker Tennis Club (\$125,000).

A major strategy of procurement for Council is to reduce time and money incurred on tendering/obtaining quotations/administration. It is estimated that the more complex tenders can cost around \$20,000 to prepare, evaluate and establish the formal contract. In order to achieve savings Council sources many works and services through:

- already established strategic contracts with other agencies such as Local Government Association Procurement, Council Solutions (procurement specialists). Council participates in several such contracts including bituminous surface treatments, cleaning services, banking services (no tendering costs);
- collaborative tendering with other Councils eg The Rural City of Murray Bridge and Adelaide Hills Council for kerbside waste/recycling services (shared costs);



- establishment of Council's own panel of contractors (simplified tendering and evaluation).

On contractor panels, Council is currently introducing VendorPanel, a web based system to simplify Council's processes in tendering and obtaining quotations from not only Council's own contractor panels but also those created by other agencies. VendorPanel also includes analysis and reporting functions and is widely used throughout in the eastern states.

Council is committed to the encouragement of effective competition when procuring goods, works and services. In specific circumstances however Council's Procurement policy (standard policy through local government) allows for Council to choose exemption from the requirement to seek tenders if:

- There may be significant risk if the procurement is delayed eg emergency situations; or
- There has been an unanticipated Council or Government policy decision; or
- Council purchases assets or goods at auction; or
- Council purchases second hand assets or goods; or
- The contract is made with or through a strategic alliance; or
- A situation presents itself wherein a contractor has considerable background knowledge and specialist expertise on the particular matter eg an extension of a previous project.

In 2014/15 Exemption to Tendering Requests were approved for the following:

Description	Reason for Exemption	Value
Engagement of agent for sale of Monarto Quarries	Specialist expertise (f)	\$12,500
Sculpture Trail Landscaping	Strategic alliance (e)	\$15,000
Morphett St AIMSUN Traffic Modelling	Pressure of time (b) Background knowledge (f)	\$15,500
Community Development Review	Specialist knowledge (f)	\$15,000
Emerald Quarry Design and Project Management	Background knowledge (f)	\$135,000
Mt Barker Cemetery Public Toilet	Background knowledge (f)	\$17,380
Ascent Estate Playground	Specialist expertise (f)	\$19,003
Community Bus Hire	Specialist expertise (f)	\$27,000
Odour Modelling	Specialist expertise (f)	\$25,750
Meadows Bike Track upgrade	Specialist expertise (f)	\$15,000
Jeffrey Street Footbridge, Nairne	Specialist expertise (f)	\$104,000
Recruitment for Manager Field Services	Background knowledge (f) Pressures of time (b)	\$9,000
Parklet Construction Gawler Street	Specialist expertise (f)	\$38,725

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

Customer Requests

Top 10 Customer Request Categories 2014/15

294	Maintenance: all buildings*
279	Dog registration issue
261	Trees: pruning
258	Trees: fallen
206	Vehicle parking complaint
187	Dog wandering at large
178	Graffiti: council property
166	Maintenance: toilets
156	Maintenance: roads
153	Parking Patrol: school other

*Including Local Government Centre, Dutton Rd.

Communication and Marketing

- Promotion in the form of media, online videos, publications, advertising, photography, signage, marketing and promotional items, direct mail and newsletters;
- Coordination of design, photography and marketing services for various Council promotions and major projects;
- Coordination of Council's new corporate signage and identity
- Developed marketing material for projects such as the Economic Development Plan, Strategic Plan, Invest in Mount Barker and Building on Wastewater Success videos.

Community consultation undertaken:

- Integrated Water Management DPA
- Order Making Policy
- Trade Waste Discharge Policy
- Declaration of a Public Road
- Road Closure – Portion of Dutton Road
- Proposed Skatepark at Davenport Square, Macclesfield
- Regional Public Health Plan
- Planning for the Future (Strategic Plan)
- Request for Expression of Interest for the Glebe Land, Littlehampton
- New Council Logo
- Use of Proceeds from the sale of 16 Mill Street, Meadows
- Draft Annual Business Plan 2015/16
- Separate Rates 2015/16
- Stormwater Management Plan
- Proposed Council Name Change
- Regional Town Centre DPA.



Annual Business Plan

Planning and Development

Policy Planning and Strategy

Performance Measure	Outcome
Complete the Town Centre DPA and Rural DPA	Not achieved. Consultation will be completed for Town Centre DPA July 2015. Rural DPA awaiting ministerial Approval to consult.
Complete the Statement of Intent for the Urban Structure DPA	Not achieved. Draft completed – awaiting completion of traffic studies in western sector.
Complete Regional Public Health Plan	Achieved
Complete the Community Plan	Deferred – awaiting outcome of Strategic Plan process.

Open Space and Environment

Performance Measure	Outcome
Landscaping guidelines completed and endorsed	Deferred
Completion of a Biodiversity Strategy	Not achieved
Completion of review of Laratinga Reserve Management Plan	Deferred until Biodiversity Strategy is completed.
Seedlings planted with success rate of 70% of seedling survival	Achieved

Development Services

Performance Measure	Outcome
100% compliance with statutory assessment timeframes	Not achieved
100% of known breaches of the Development Act investigated	Achieved
Comply with statutory building inspection regulations requirements	Achieved
14 day turnaround for new housing planning applications	75% achieved

Strategic Planning and Economic Development

Performance Measure	Outcome
A draft Strategic Plan completed for consultation	Not achieved. The engagement process was completed.
A draft integrated Strategic Planning framework developed including process for prioritising theme plans actions into corporate planning processes	To be further developed in context of development of the new Strategic Plan.
An economic development strategy finalised and initiatives pursued	Achieved. Various activities related to the economic development strategy implementation including testimonial video completed.
Demonstrable progress of Council's involvement in world heritage listing	Achieved. Progress updated provided at 1 June 2015 meeting.



Council Services

Community and Customer Services

Performance Measure	Outcome
Facilitate 40 events and deliver \$10 million dollars in economic benefit.	Achieved
Increase HACC service delivery by 10% with external funding within existing Council resources	Achieved in 3 out of 4 quarters
Pursue at least 1 new external funding opportunity to respond to increasing demand on HACC programs within Council resources.	Achieved
Evaluate community transport bus trial.	Achieved. Trial extended until 30.6.2016.
All graffiti reports are actioned within 7 days	Achieved
4 District Matters produced annually	Achieved
Design corporate documents to the agreed timelines i.e. Annual report, Annual Business Plan Summary, Community Calendar.	Achieved
All Media Releases are produced to the Corporate Standard	Achieved
Maintain current level of 140 active Volunteers and all new volunteers are inducted and trained	Achieved. 169 active volunteers
Complete Annual Volunteer Survey in the community	Achieved. 1366 Surveys completed
The Youth Advisory Committee model is transitioned to the Youth Engagement Program by 31/12/14	Transitioning toward embedding as the core Youth Development Program. Seeking to engage external agencies to support program delivery.
Deliver the community grants program	Achieved. Two rounds of grants were delivered.

Library

Performance Measure	Outcome
Strategic and financial options developed for Mt Barker Community Library	Not achieved. Negotiations with TAFE SA continuing. Working with an architect to explore option of include TAFE customer service in library redesign concept plans.
Improve net cost of library events (target of 15%)	Not achieved
90% satisfaction with local history service	Deferred due to retirement of Local History Officer. Survey carried over to 2015/16.

Field Services

Waste: Kerbside

Performance Measure	Outcome
Reduce the amount of waste to landfill by 1.5% per household per week	Kerbside waste disposed to landfill has increased by 1.2% (an increase of 0.1kg/hh/week). Total kerbside tonnes to landfill has increased by 241 tonnes for the 14/15 year.
Maintain increase in diversion levels of waste from landfill of 3% per year	Not achieved. Diversion of waste from landfill has remained steady at 47%. Recycling for the 14/15 year has increased by 24 tonnes and green organics has increased by 111 tonnes.
Reduce contamination in recycling by 5% annually	Not achieved. Contamination rates remains at 27%.

Waste: Transfer Station

Performance Measure	Outcome
Maintain the net cost of Transfer Station Operations	Within 1% of the total budget.
Identify waste streams and improve reporting systems	Complete. Waste streams are now reported via the weighbridge receipting system, enabling accurate tracking of waste.

Transport Assets

Performance Measure	Outcome
Deliver 100% of the budgeted capital works program for road resealing and footpath renewal	Completed 100% of unsealed roads Completed 100% of sealed roads 35% of footpath renewal completed
Deliver 100% of the budgeted new footpath connectivity program	57% completed. Footpath works delayed due to weather, contractor availability and engineering input.
Complete the annual line marking program in identified townships	Achieved
Complete the street sweeping program	Achieved

Parks, Gardens and Streetscapes

Performance Measure	Outcome
Review and evaluate service levels for open space categories	Revised maintenance service levels document completed.
Evaluate costs per hectare per category of open space	Not achieved but in the process of being developed.
Continue to develop and implement the rural roadside reserves corridor pruning program	Achieved

Cemeteries

Performance Measure	Outcome
Review and evaluate service levels for cemeteries	Achieved

Fire Prevention and Emergency Management

Performance Measure	Outcome
Identify the number of non-compliant properties within the District	Achieved. 7 non-compliant properties identified.
Complete 3 year fire prevention program of rural roads to be slashed/sprayed	Achieved
Percentage of kilometres of rural roads sprayed / slashed (target 30%)	Achieved
Completion of the Local Emergency Management Plan	Not achieved. Draft Plan in progress to be completed early 2015-16.

Community Assets

Performance Measure	Outcome
Management agreements in place with each incorporated association by September 2014	Not achieved. By end of financial year 20 were signed with 2 remaining. Further sites have also been identified.
Complete the first year of the identified prioritised projects for 3 year capital works program	Achieved



Health & Public Safety

Environmental Health

Performance Measure	Outcome
Percentage inspection of food premises in accordance with risk schedule (100% target)	66% achieved (per quarter average)
Percentage of health premises inspected (piercing, tattooists, public pools) according to the schedule (100% target)	Achieved
Percentage of waste control applications (100% target)	Achieved 362 applications assessed 656 waste control inspections 100% of inspection performed when notified.
Report annually to SA Health regarding activities undertaken under the Food Act 2001	Achieved

Public Safety

Performance Measure	Outcome
One subsidised microchipping day	Achieved
Monitor private parking areas as per contracts	Achieved
Number of school parking patrols (target 40 per quarter)	Achieved in only 3 quarters.
Premises providing outdoor dining to be registered (100% target)	Target not consistently achieved each quarter.
100% of Council infrastructure damaged by new developments reinstated	Achieved

Infrastructure and Projects

Performance Measure	Outcome
85% of capital projects completed within the approved construction budget (including contingency)	Achieved
85% of budgeted construction projects are substantially completed by 30 June 2015	Achieved
100% of available grant funding is utilised within the prescribed time limits	Achieved. All road grant funds have been expended or committed.
Stormwater Management Plan for Mt Barker, Littlehampton and Totness is completed and adopted by Council	Not achieved. Stormwater Management Plan consultation is still in progress and final plan anticipated by late 2015, subject to NRM Board signoff.
Achieve target of 100% recycling of wastewater collected	Achieved for 3 quarters
Continue to meet agreed performance targets with the Development Assessment team for development applications:	Weekly review between Engineering and Planning of response times on-going.
Land Use Application: Additional info required 1 wk No additional info 2wks	Increase in major Land Divisions in growth areas and resultant resource requirements impacting on internal performance targets for minor land division and land use applications.
Land Division Minor: Additional info required 1 wk No additional info 2wks	
Land Division Major: Additional info required 3 wks No additional info 4 wks	

Wastewater

Performance Measure	Outcome
Maintain volume of water treated at Mount Barker Treatment Plant minimum to 3.5 ML/day	Not achieved due to difficulties with water quality and commissioning of new filtration equipment.
Reduce energy costs per megalitre related to the collection, treatment and disposal of water	Achieved due to finalisation of the commissioning process and better operational management. Costs were reduced by 19% from \$354 ML to \$286 ML.
Reduce annual unit cost of septic tank pump out by improved management of sludges within the District	Negotiations on the disposal of biosolids at Monarto Quarries to reduce sludge disposal costs have been completed and cost savings will be realized in 2015/16.
Reduction in discharge to Mt Barker & Nairne creeks and eliminate where possible	Achieved. Only 14.7ml discharged in first quarter and none in subsequent quarters.
Achieve target of 100% recycling of wastewater collected	Achieved for 3 quarters
Target of zero complaints received via the Energy and Water Ombudsman that are considered by the Ombudsman to require Council action	Achieved



Corporate Services

Governance

Performance Measure	Outcome
Risk Management Review is equal or above regional average results	This performance measure is not relevant as the Risk Management Review ceased by Local Government Risk Services.
High Risks provided to senior management team and Audit Committee quarterly	Not achieved. High Risks provided for 3 quarters. 1 quarter provided the revised Risk Management Framework.
Induction and training for new Council completed by 30 June 2015	Completed

Finance

Performance Measure	Outcome
Implement Internal Control Framework via best practice Risk Management processes	Achieved. First cycle of control testing and risk assessments completed with development of action plans for identified high risks commenced.
Modernise payroll processes for online leave management	Partially achieved

Information Communication Technology (ICT)

Performance Measure	Outcome
Less than 5% downtime of ICT Corporate Systems	Achieved

People and Culture

Performance Measure

Implementation of targets in the Work Health & Safety & Injury management plan

Outcome

Plan reviewed & updated to include KPI Audit results. Hazard management program – task & chemical risk assessments completed. Plant risk assessments in progress. Work commenced to address the Audit non-conformances – Training Needs Analysis & Program, Corrective & Preventative Actions Register & Schedule of Events, with assistance from LGRS – Tailored Implementation Program (TIP).

Organisational Development Strategy developed and endorsed

Achieved. Strategy has been developed, endorsed and is now being implemented.

Asset & Contracts

Performance Measure

Valuation of Wastewater Systems completed

Outcome

Completed

Adopt LGA continuous improvement in procurement systems

Achieved. Vendor Panel scoped and implementation commenced. Online version of banking for corporate cards being implemented.



Financial Statements

Financial Statement



MOUNT BARKER
DISTRICT COUNCIL



Mount Barker District Council

General Purpose Financial Statements for the year ended 30 June 2015

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District Council of Mount Barker

General Purpose Financial Statements for the year ended 30 June 2015

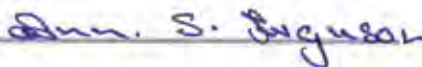
Certification of Financial Statements

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 2015 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: 8 October 2015

District Council of Mount Barker

General Purpose Financial Statements for the year ended 30 June 2015

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 2015.

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.

Mount Barker District Council

Statement of Comprehensive Income
for the year ended 30 June 2015

\$ '000	Notes	2015	2014
Income			
Rates Revenues	2a	30,660	28,632
Statutory Charges	2b	1,057	1,110
User Charges	2c	3,423	3,615
Grants, Subsidies and Contributions	2g	2,944	2,267
Investment Income	2d	78	202
Reimbursements	2e	709	632
Other Income	2f	574	275
Net Gain - Equity Accounted Council Businesses	19	4	-
Total Income		39,449	36,733
Expenses			
Employee Costs	3a	12,665	12,002
Materials, Contracts & Other Expenses	3b	17,777	17,013
Depreciation, Amortisation & Impairment	3c	8,297	7,643
Finance Costs	3d	64	30
Net loss - Equity Accounted Council Businesses	19	-	131
Total Expenses		38,803	36,819
Operating Surplus / (Deficit)		646	(86)
Asset Disposal & Fair Value Adjustments	4	(3,244)	(1,799)
Amounts Received Specifically for New or Upgraded Assets	2g	3,391	5,197
Physical Resources Received Free of Charge	2h	6,728	4,241
Net Surplus / (Deficit)		7,521	7,553
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	5a	11,842	9,344
Total Other Comprehensive Income		11,842	9,344
Total Comprehensive Income		19,364	16,897

Mount Barker District Council

Statement of Financial Position
as at 30 June 2015

\$ '000	Notes	2015	2014
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	3,166	4,328
Trade & Other Receivables	5a	4,913	2,625
Inventories	5c	15	260
Total Current Assets		8,094	7,213
Non-Current Assets			
Financial Assets	6a	21	24
Equity Accounted Investments in Council Businesses	6b	776	772
Infrastructure, Property, Plant & Equipment	7a	458,290	428,677
Other Non-Current Assets	6c	2,404	6,451
Total Non-Current Assets		461,491	435,924
TOTAL ASSETS		469,585	443,137
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	3,919	5,030
Borrowings	8b	8,064	194
Provisions	8c	2,098	1,761
Total Current Liabilities		14,081	6,985
Non-Current Liabilities			
Borrowings	8a	34	98
Provisions	8c	388	336
Total Non-Current Liabilities		422	434
TOTAL LIABILITIES		14,503	7,419
Net Assets		455,082	435,718
EQUITY			
Accumulated Surplus		160,545	150,024
Asset Revaluation Reserves	8a	283,206	271,364
Other Reserves	8b	11,331	14,330
Total Council Equity		455,082	435,718

Mount Barker District Council

Statement of Changes in Equity
for the year ended 30 June 2015

\$ '000	Notes	Asset			Total Equity
		Accumulated Surplus	Revaluation Reserve	Other Reserves	
2015					
Balance at the end of previous reporting period		150,024	271,364	14,330	435,718
a. Net Surplus / (Deficit) for Year		7,521	-	-	7,521
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	11,842	-	11,842
Total Comprehensive Income		7,521	11,842	-	19,364
c. Transfers between Reserves		2,999	-	(2,999)	-
Balance at the end of period		160,545	283,206	11,331	455,082
2014					
Balance at the end of previous reporting period		141,782	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

Mount Barker District Council

Statement of Cash Flows
for the year ended 30 June 2015

\$ '000	Notes	2015	2014
Cash Flows from Operating Activities			
<u>Receipts</u>			
Operating Receipts		36,892	39,406
Investment Receipts		78	202
<u>Payments</u>			
Operating Payments to Suppliers and Employees		(30,794)	(28,643)
Finance Payments		(64)	(30)
Net Cash provided by (or used in) Operating Activities	11b	6,112	10,935
Cash Flows from Investing Activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		3,391	5,197
Sale of Replaced Assets		161	281
Sale of Surplus Assets		361	697
Repayments of Loans by Community Groups		3	3
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(5,332)	(5,414)
Expenditure on New/Upgraded Assets		(13,726)	(8,846)
Net Cash provided by (or used in) Investing Activities		(15,142)	(8,082)
Cash Flows from Financing Activities			
<u>Receipts</u>			
Proceeds from Borrowings		7,940	-
Proceeds from Bonds & Deposits		62	-
<u>Payments</u>			
Repayments of Borrowings		(13)	(56)
Repayment of Finance Lease Liabilities		(121)	(151)
Net Cash provided by (or used in) Financing Activities		7,868	(207)
Net Increase (Decrease) in Cash Held		(1,162)	2,646
plus: Cash & Cash Equivalents at beginning of period	11	4,328	1,682
Total Cash, Cash Equivalents & Investments		3,166	4,328

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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n/a - not applicable

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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 2 November 2015.

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 Mount Barker District Council is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 6 Dutton Road, 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 \$293K was paid in advance; in June 2012, two quarters of the 2012/13 allocation: \$614K; and in June 2013, again two quarters of the 2013/14 allocation: \$628K. In 2013/14 there was no amounts receipted in advance. 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.

The 2014/15 financial year reflects the receipt of one full year's allocation plus two quarters of the 2015/16 allocation amounting to \$648K.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies (continued)

The actual amounts of untied grants received during the reporting periods are disclosed in Note 2.

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.

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.

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.

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

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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.

Building & Other Structures	20 to 150 years
Road Assets	20 to 80 years
Footpaths	10 to 50 years
Bridges	80 to 100 years
Wastewater	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

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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 0.41% (2014, 0.49%)
Weighted avg. settlement period 0.55 years (2014, 0.57 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 on 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.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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 Equity Accounted Council Businesses

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

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 2015.

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.

Apart from the AASB disclosures below, there are no other standards that are "not yet effective" which are expected to have a material impact on Council in the

current or future reporting periods and on foreseeable future transactions.

Applicable to Local Government:

AASB 124 - Related Party Disclosures

From 1 July 2016, AASB 124 Related Party Disclosures will apply to Council.

This means that Council will be required to disclose information about related parties and Council transactions with those related parties.

Related parties will more than likely include the Mayor, Councillors and certain Council staff. In addition, the close family members of those people and any organisations that they control or are associated with will be classified as related parties (and fall under the related party reporting requirements).

AASB 2014 - 10 Sale or contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address an acknowledged inconsistency between the requirements in AASB 10 and those in AASB 128 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not).

A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2016.

This standard will only impact Council where there has been a sale or contribution of assets between the entity and the associate/joint venture.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies (continued)

AASB 2014 - Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 and AASB 11]

This Standard amends AASB 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business.

The amendments require:

- (a) the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and
- (b) the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.

This Standard also makes an editorial correction to AASB 11.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2016.

If a joint operation is acquired during the reporting period, then this standard clarifies the accounting for the acquisition to be in accordance with AASB 3, i.e. assets and liabilities acquired to be measured at fair value.

Not applicable to Local Government per se;

None

16 Disclaimer

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

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.

Mount Barker District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2015

Note 2. Income

\$ '000	Notes	2015	2014
(a). Rates Revenues			
General Rates			
General Rates		23,056	21,413
Less: Mandatory Rebates		(291)	(257)
Less: Discretionary Rebates, Remissions & Write Offs		(33)	(31)
Total General Rates		22,732	21,125
Other Rates (Including Service Charges)			
Community Wastewater Management Systems		4,505	4,204
Refuse		2,452	2,330
Natural Resource Management Levy		576	572
Mount Barker Separate Rate		105	103
Hahndorf Separate Commerce Rate		76	74
Meadows Water Supply		11	14
Total Other Rates		7,725	7,297
Other Charges			
Penalties for Late Payment		155	134
Legal & Other Costs Recovered		48	76
Total Other Charges		203	210
Total Rates Revenues		30,660	28,632
(b). Statutory Charges			
Building & Development Act Regulatory Fees		467	428
Animal Registration Fees & Fines		251	252
Parking Fines / Expiation Fees		111	110
Septic Tank Inspection Fees		110	184
Sundry		118	136
Total Statutory Charges		1,057	1,110
(c). User Charges			
Sale of Reclaimed Water		1,275	1,080
Mount Barker Tourist Park		769	717
Monarto Quarries		466	928
Rental of Council Facilities		416	410
Waste Dumping Fees		396	342
Sundry		101	138
Total User Charges		3,423	3,615

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 2. Income (continued)

\$ '000	Notes	2015	2014
(d). Investment Income			
Interest on Investments			
- Local Government Finance Authority		40	107
- Banks & Other		37	42
- Loans to Community Groups		1	1
AHRWMA - Dividend		-	52
Total Investment Income		78	202
(e). Reimbursements			
Library		271	259
Landfill		46	54
Immunisation		35	27
Sundry		357	292
Total Reimbursements		709	632
(f). Other Income			
Contributions and Donations		534	158
Insurance & Other Recoupments - Infrastructure, IPP&E		-	70
Sundry		40	47
Total Other Income		574	275
(g). Grants, Subsidies, Contributions			
Amounts Received Specifically for New or Upgraded Assets		3,391	5,197
Other Grants, Subsidies and Contributions		2,296	2,267
Individually Significant Item - Additional Grants Commission Payment (refer below)		648	-
Total Grants, Subsidies, Contributions		6,335	7,464
The functions to which these grants relate are shown in Note 12.			
(i) Sources of grants			
Commonwealth Government		1,472	2,902
State Government		3,009	2,919
Other		1,854	1,643
Total		6,335	7,464
(ii) Individually Significant Items			
Grant Commission (FAG) Grant Recognised as Income		648	-
Refer to Note 1 for details of Grant Commission (FAG) grant payment recognised as income.			

Mount Barker District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2015

Note 2. Income (continued)

\$ '000	Notes	2015	2014
(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		2,736	2,245
<i>Less:</i>			
<i>Expended during the current period from revenues recognised in previous reporting periods</i>			
Recreation Infrastructure		(1,201)	(39)
Road Assets		(817)	(1,066)
Other		(41)	-
Subtotal		(2,059)	(1,105)
<i>Plus:</i>			
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Recreation Infrastructure		500	1,135
Road Assets		-	419
Environmental		-	42
Subtotal		500	1,596
Unexpended at the close of this reporting period		1,177	2,736
Net increase (decrease) in assets subject to conditions in the current reporting period		(1,559)	491
(i). Physical Resources Received Free of Charge			
Wastewater		2,346	617
Recycled Water		1,946	-
Stormwater Drainage		1,364	2,093
Roads, Bridges & Footpaths		1,072	1,176
Land & Improvements		-	355
Total Physical Resources Received Free of Charge		6,728	4,241

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 3. Expenses

\$ '000	Notes	2015	2014
(a). Employee Costs			
Salaries and Wages		10,295	9,651
Employee Leave Expense		1,611	1,555
Superannuation - Defined Contribution Plan Contributions	18	1,080	1,064
Workers' Compensation Insurance		314	259
Other		139	138
Less: Capitalised and Distributed Costs		(774)	(665)
Total Operating Employee Costs		12,665	12,002
Total Number of Employees (full time equivalent at end of reporting period)		149	148
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Elected Members' Expenses		236	235
Operating Lease Rentals - Non-Cancellable Leases	17		
- Minimum Lease Payments		90	121
Auditor's Remuneration			
- Auditing the Financial Reports		21	20
Election Expenses		9	11
Subtotal - Prescribed Expenses		356	387
(ii) Other Materials, Contracts and Expenses			
Contractors		5,126	4,502
Waste Collection & Disposal		2,198	2,101
Parts, Accessories & Consumables		1,380	1,216
Energy		1,039	1,071
Levies Paid to Government - NRM levy		569	566
Septic Tank Clean Outs		463	583
Street Lighting		406	395
Professional Services		271	149
Legal Expenses		193	170
Water		189	174
Cartage - Monarto Quarries		90	326
Sundry		5,569	5,463
Less: Capitalised and Distributed Costs		(72)	(90)
Subtotal - Other Material, Contracts & Expenses		17,421	16,626
Total Materials, Contracts and Other Expenses		17,777	17,013

Mount Barker District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2015

Note 3. Expenses (continued)

\$ '000	Notes	2015	2014
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
- Road Assets		3,758	3,658
- Wastewater		942	861
- Furniture, Plant & Equipment		884	891
- Recreation & Open Space		558	509
- Drainage		492	467
- Footpaths		458	433
- Buildings & Other Structures		376	340
- Bridges		335	330
- Recycled Water		168	154
Subtotal		7,971	7,643
(ii) Impairment			
Capital Work in Progress		326	-
Subtotal		326	-
Total Depreciation, Amortisation and Impairment		8,297	7,643
(d). Finance Costs			
Interest on Loans		59	14
Charges on Finance Leases		5	16
Total Finance Costs		64	30

Note 4. Asset Disposal & Fair Value Adjustments

Infrastructure, Property, Plant & Equipment

(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		161	281
Less: Carrying Amount of Assets Sold		(3,380)	(2,092)
Gain (Loss) on Disposal		(3,219)	(1,811)
(ii) Assets Surplus to Requirements			
Proceeds from Disposal		361	697
Less: Carrying Amount of Assets Sold		(385)	(685)
Gain (Loss) on Disposal		(24)	12
Net Gain (Loss) on Disposal or Revaluation of Assets		(3,244)	(1,799)

Mount Barker District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2015

Note 5. Current Assets

\$ '000	Notes	2015	2014
(a). Cash & Cash Equivalents			
Cash on Hand at Bank		2,324	360
Deposits at Call		842	3,968
Total Cash & Cash Equivalents		3,166	4,328
(b). Trade & Other Receivables			
Rates - General & Other		1,262	1,081
GST Recoupment		506	433
Prepayments		130	184
Accrued Revenues		7	117
Loans to Community Organisations		3	3
Sundry		3,005	807
Total Trade & Other Receivables		4,913	2,625
(c). Inventories			
Stores & Materials		13	8
Trading Stock - Quarries		2	252
Total Inventories		15	260

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 6. Non-Current Assets

\$ '000	Notes	2015	2014
(a). Financial Assets			
Receivables			
Loans to Community Organisations		21	24
Total Financial Assets		21	24
(b). Equity Accounted Investments in Council Businesses			
Adelaide Hills Regional Waste Management Authority	19	776	772
Total Equity Accounted Investments in Council Businesses		776	772
(c). Other Non-Current Assets			
Other			
Capital Works-in-Progress		2,404	6,451
Total Other		2,404	6,451
Total Other Non-Current Assets		2,404	6,451

Mount Barker District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2015

Note 7a (i), Infrastructure, Property, Plant & Equipment

	Fair Value Level	as at 30/6/2014					Asset Movements during the Reporting Period						as at 30/6/2015			
		At Fair Value	At Cost	Accumulated 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	Accumulated Dep'n	Carrying Value		
						New / Upgrade	Renovals									
\$ '000																
- Land - Community	2	59,990	-	-	59,990	1,129	-	-	-	3,021	64,005	-	-	64,005		
- Land - Other	2	15,670	-	-	15,670	3,259	-	-	(1270)	-	15,400	3,259	-	18,659		
- Buildings & Other Structures	3	49,378	218	6,316	43,280	143	73	(376)	-	283	49,816	-	6,719	43,097		
- Road Assets	3	201,027	5,475	38,910	167,592	4,592	2,678	(3,758)	-	-	198,216	12,086	41,510	169,792		
- Wastewater	3	58,489	657	14,801	44,345	5,813	1,866	(942)	-	9,394	78,734	-	19,208	59,528		
- Drainage	3	41,608	429	8,800	33,237	2,413	147	(492)	-	-	41,831	2,724	9,282	35,273		
- Bridges	3	29,394	319	5,390	24,323	263	122	(335)	-	-	29,368	704	5,717	24,355		
- Footpaths	3	17,366	890	2,943	15,113	1,434	148	(458)	-	-	19,362	-	3,336	18,026		
- Recreation & Open Space	3	15,252	1,083	5,397	10,938	2,023	332	(558)	-	-	15,067	3,438	5,878	12,627		
- Furniture, Plant & Equipment	3	-	8,565	3,930	4,635	-	540	(884)	-	-	-	8,492	4,359	4,133		
- Recycled Water	3	10,171	-	617	9,554	2,934	-	(186)	(585)	-	12,366	-	571	11,795		
Total Infrastructure, Property, Plant & Equipment		488,345	17,436	87,104	428,677	23,803	5,762	(7,971)	(865)	12,698	524,165	30,703	96,578	458,290		
Comparatives		488,624	8,270	81,516	415,378	8,060	5,414	(7,643)	-	9,344	498,345	17,436	87,104	420,677		

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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

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

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

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.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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 13 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

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

Transition to AASB 13 - Fair Value Measurement

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

Land & Land Improvements

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

Land - Level 2, Council officers applied the market approach for valuation of non specialised land, the market value was deemed to be as per the Valuer General values as at 30 June 2015 or where material valuation information inputs were available such as recent sales of similar land parcel this input was applied. Additions in the current year are held at cost.

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 2015

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. The valuation has been indexed at 30th June 2015 based on the Rawlinson's 'Australian Construction Handbook 2015' estimated comparative rates for Adelaide. Unobservable inputs have been utilised and therefore these assets are classified as level 3.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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 3. Level 3 inputs have been applied to these classes of assets as there are no relevant observable inputs (Markets) available and other unobservable inputs have been utilised such as estimates of useful lives, residual values and asset conditions. Therefore these assets are classified as level 3.

Recreation and Open Space Assets were 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. All additions post 30 June 2013 are held at cost.

Road Assets were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Available Current prices for materials and labour, the value of each being based on recent experience of Mount Barker District Council, and benchmarked with Rawlinson's 'Australian Construction Handbook 2013' comparative rates for Adelaide. All additions post 30 June 2013 are held at cost.

Bridges Assets were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Available Current prices for materials and labour, the value of each being based on recent experience of Mount Barker District Council, and benchmarked with Rawlinson's 'Australian Construction Handbook 2013' comparative rates for Adelaide. All additions post 30 June 2013 are held at cost.

Footways Assets were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Available Current prices for materials and labour, the value of each being based on recent experience of Mount Barker District Council, and benchmarked with Rawlinson's 'Australian Construction Handbook 2013' comparative rates for Adelaide. All additions post 30 June 2013 are held at cost.

Wastewater Assets were revalued as at the 30th June 2015 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.

All Wastewater infrastructure assets were valued using Level 3 valuation inputs using the cost approach. This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

Recycled Water Assets were revalued as at the 30th June 2015 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.

All Wastewater infrastructure assets were valued using Level 3 valuation inputs using the cost approach. This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

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 at cost basis.

Mount Barker District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2015

Note 8. Liabilities

\$ '000	Notes	2015 Current	2015 Non Current	2014 Current	2014 Non Current
(a). Trade and Other Payables					
Goods & Services		2,070	-	3,095	-
Accrued Expenses - Employee Entitlements		1,417	-	1,238	-
Deposits, Retentions & Bonds		248	-	186	-
Accrued Expenses - Other		169	-	363	-
Payments Received in Advance		15	-	148	-
Total Trade and Other Payables		3,919	-	5,030	-

Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date

(b). Borrowings

Loans		8,064	34	60	98
Finance Leases	14c	-	-	134	-
Total Borrowings		8,064	34	194	98

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

(c). Provisions

Employee Entitlements (including oncosts)		1,887	388	1,761	336
Future Reinstatement / Restoration, etc		211	-	-	-
Total Provisions		2,098	388	1,761	336

Mount Barker District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2015

Note 9. Reserves

\$ '000	1/7/2014	Increments (Decrements)	Transfers	Impairments	30/6/2015
(a). Asset Revaluation Reserve					
- Road Assets	123,106	-	-	-	123,106
- Land - Community	47,250	3,021	-	-	50,271
- Buildings & Other Structures	35,345	283	-	-	35,628
- Bridges	19,442	-	-	-	19,442
- Wastewater	13,630	9,394	-	-	23,024
- Land - Other	9,100	(270)	-	-	8,830
- Footpaths	7,907	-	-	-	7,907
- Recreation & Open Space	6,594	-	-	-	6,594
- Drainage	5,706	-	-	-	5,706
- Recycled Water	3,285	(585)	-	-	2,700
Total Asset Revaluation Reserve	271,364	11,842	-	-	283,206
Comparatives	262,020	9,344	-	-	271,364
(b). Other Reserves					
Wastewater Maintenance Reserve	7,326	4,502	(6,236)	-	5,592
Indirect Developer Contributions	3,809	378	(1,402)	-	2,785
Infrastructure Fund	692	16	-	-	709
Car Park Reserve	621	-	(320)	-	301
Refuse Reserve	547	148	-	-	695
Open Space Development	340	-	(102)	-	238
Wastewater Infrastructure Fee	78	288	(366)	-	-
MDPA Recreation & Open Space	-	131	-	-	131
Other Reserves	917	869	(904)	-	881
Total Other Reserves	14,330	6,332	(9,331)	-	11,331
Comparatives	15,019	8,244	(8,933)	-	14,330

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.

Refuse Reserve

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

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 9. Reserves

\$ '000

Infrastructure Fund Reserve

A percentage of budgeted general rate for future Infrastructure which is reviewed by council on a 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.

MDPA Recreation & Open Space Reserve

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

Note 10. Assets Subject to Restrictions

\$ '000

Notes

2015

2014

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

Unexpended amounts received from Federal Government

Open Space Contributions	238	238
Developer Contributions	180	180
DPTI Open Space Polo Land	-	1,000
Special Local Roads Program - Alexandrina Road	-	252
DPTI LG Stimulus Program	-	201
Open Space Grant Program - Laratinga Linear Trail	-	102
DPTI Open Space Bollen Land	500	-
Total Cash & Financial Assets	918	1,973
Total Assets Subject to Externally Imposed Restrictions	918	1,973

Mount Barker District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2015

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2015	2014
(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	3,166	4,328
Balances per Statement of Cash Flows		3,166	4,328
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		7,521	7,553
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		8,297	7,643
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(4)	131
Non-Cash Asset Acquisitions		(6,728)	(4,241)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(3,391)	(5,197)
Net (Gain) Loss on Disposals		3,244	1,799
		8,939	7,688
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(2,288)	793
Change in Allowances for Under-Recovery of Receivables		-	320
Net (Increase)/Decrease in Inventories		245	(243)
Net (Increase)/Decrease in Other Current Assets		-	959
Net Increase/(Decrease) in Trade & Other Payables		(1,173)	1,229
Net Increase/(Decrease) in Unpaid Employee Benefits		178	189
Net Increase/(Decrease) in Other Provisions		211	-
Net Cash provided by (or used in) operations		6,112	10,935
(c). Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
- Physical Resources Received Free of Charge	2	6,728	4,241
Amounts recognised in Income Statement		6,728	4,241
Total Non-Cash Financing & Investing Activities		6,728	4,241
(d). Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Corporate Credit Cards		150	100
LGFA Cash Advance Debenture Facility		10,510	10,510

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

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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 2015	Actual 2014	Actual 2015	Actual 2014	Actual 2015	Actual 2014	Actual 2015	Actual 2014	Actual 2015	Actual 2014
\$ '000										
Rates	23,735	22,123	1,479	1,524	22,256	20,599	86	30	-	-
Wastewater & Recycled Water	5,833	5,336	4,831	4,646	1,002	690	-	-	71,323	53,898
Field Services	1,492	1,550	7,093	6,869	(5,601)	(5,319)	1,047	1,143	244,450	235,638
Commercial Assets	1,293	1,707	1,699	1,819	(405)	(112)	31	8	15	4,887
Community & Customer Services	1,395	1,291	4,763	4,614	(3,369)	(3,323)	1,366	881	-	-
Corporate Services	1,263	810	1,997	1,341	(734)	(531)	106	38	8,873	7,749
Health & Public Safety	561	643	1,711	1,615	(1,150)	(972)	56	42	-	-
Planning Policy & Development	912	473	4,193	4,019	(3,281)	(3,546)	148	61	-	-
Infrastructure & Projects	21	41	1,798	1,308	(1,777)	(1,267)	52	26	-	-
Asset Management	43	40	6,380	6,114	(6,337)	(6,074)	53	38	144,924	140,965
Waste Management	2,901	2,719	2,858	2,950	43	(231)	-	-	-	-
Total Functions/Activities	39,449	36,733	38,803	36,819	646	(86)	2,944	2,267	469,585	443,137

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.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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 at an average interest rate of 2.03% (2014: 2.53%). Short term deposits are held either in LGFA or NAB at call deposit accounts.

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 7.75% (2014: 6.46%). 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).

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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.

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.

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, Fixed borrowings are repayable by two instalments annually; interest is charged at a fixed rate of 6.83% (2014: 5.8% and 9%). Variable interest Cash advance loans are drawdown for short term cash requirements and are charged at a variable interest rate.

Carrying Amount:

Approximates fair value.

Liabilities

Finance Leases

Accounting Policy:

Accounted for in accordance with AASB 117.

Mount Barker District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2015

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2015					
Financial Assets					
Cash & Equivalents	3,166	-	-	3,166	3,166
Receivables	4,797	-	-	4,797	4,797
Total Financial Assets	7,963	-	-	7,963	7,963
Financial Liabilities					
Payables	3,904	-	-	3,904	3,904
Current Borrowings	8,064	-	-	8,064	8,064
Non-Current Borrowings	-	34	-	34	34
Total Financial Liabilities	11,968	34	-	12,002	12,002

\$ '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

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

	30 June 2015		30 June 2014	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	4.25%	8,000	0.00%	-
Fixed Interest Rates	6.83%	98	7.07%	292
		8,098		292

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.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 14. Commitments for Expenditure

\$ '000	Notes	2015	2014
(a). Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Infrastructure		688	5,026
Furniture, Plant & Equipment		216	91
		<u>904</u>	<u>5,117</u>
These expenditures are payable:			
Not later than one year		904	5,117
		<u>904</u>	<u>5,117</u>
(b). Finance Lease Commitments			
Council has no Finance Leases.			
Council no longer leases various plant and equipment.			
In 2014 the carrying amount of assets under finance leases was \$337,843.			
At expiry, Council returned and acquired where suitable the leased assets.			
Commitments under finance leases at the reporting date are as follows:			
Not later than one year		-	139
Later than one year and not later than 5 years		-	-
Later than 5 years		-	-
Minimum Lease Payments		-	139
Less: Future Finance Charges		-	(5)
Net Lease Liability		-	<u>134</u>
Representing lease liabilities:			
Current	8	-	134
Non-Current	8	-	-
		-	<u>134</u>

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 15. Financial Indicators

\$ '000	Amounts 2015	Indicator 2015	Prior Periods	
			2014	2013

These Financial Indicators have been calculated in accordance with *Information paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

1. Operating Surplus Ratio

Operating Surplus	646	2.15%	(0.31%)	0.24%
Rates - General & Other Less NRM levy	30,084			

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

1a. Adjusted Operating Surplus 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.

(2)	(0.01%)	(0.31%)	0.24%
30,084			

2. Net Financial Liabilities Ratio

Net Financial Liabilities	6,403	16.23%	1.22%	(0.56%)
Total Operating Revenue	39,449			

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.

3. Asset Sustainability Ratio

Net Asset Renewals	5,171	95.89%	97.23%	63.30%
Infrastructure & Asset Management Plan required expenditure	5,393			

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.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 15. Financial Indicators - Graphs (continued)

<p>1. Operating Surplus Ratio</p> <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2013</td><td>0.24%</td></tr><tr><td>2014</td><td>-0.31%</td></tr><tr><td>2015</td><td>2.15%</td></tr></table>	Year	Ratio %	2013	0.24%	2014	-0.31%	2015	2.15%	<p>Purpose of Operating Surplus Ratio</p> <p>This indicator is to determine the percentage the major controllable revenue source varies from operating expenditure</p>	<p>Commentary on 2014/15 Result</p> <p>2014/15 Ratio 2%</p> <p>It should be noted that the receipt of advance payment of the Financial Assistance Grant in June 2015 after this practice was discontinued in 2013/14 has impacted on the 2014/15 ratio with receipt of an additional payment of \$648k on 30 June 2015</p>
Year	Ratio %									
2013	0.24%									
2014	-0.31%									
2015	2.15%									
<p>1a. Adjusted Operating Surplus Ratio</p> <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2013</td><td>0.24%</td></tr><tr><td>2014</td><td>-0.31%</td></tr><tr><td>2015</td><td>-0.01%</td></tr></table>	Year	Ratio %	2013	0.24%	2014	-0.31%	2015	-0.01%	<p>Purpose of Adjusted Operating Surplus Ratio</p> <p>This indicator is to determine the percentage the major controllable revenue source (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure</p>	<p>Commentary on 2014/15 Result</p> <p>2014/15 Ratio 0%</p> <p>Council's adopted policy is to maintain its operating surplus ratio at greater than or equal to zero, the adjusted ratio for 2014/15 is 0.01% with a three year average of (0.02%)</p>
Year	Ratio %									
2013	0.24%									
2014	-0.31%									
2015	-0.01%									
<p>2. Net Financial Liabilities Ratio</p> <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2013</td><td>-1%</td></tr><tr><td>2014</td><td>1%</td></tr><tr><td>2015</td><td>16%</td></tr></table>	Year	Ratio %	2013	-1%	2014	1%	2015	16%	<p>Purpose of Net Financial Liabilities Ratio</p> <p>This indicator shows the significance of the net amount owed to others, compared to operating revenue</p>	<p>Commentary on 2014/15 Result</p> <p>2014/15 Ratio 16%</p> <p>Council's adopted policy is to maintain its net financial liabilities ratio at greater than zero but less than 80% of total operating revenue. Borrowing at 30 June 2015 included \$8m in drawn down Cash Advance Debenture funds in line with the revised annual budget and long term financial plan</p>
Year	Ratio %									
2013	-1%									
2014	1%									
2015	16%									
<p>3. Asset Sustainability Ratio</p> <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2013</td><td>63%</td></tr><tr><td>2014</td><td>97%</td></tr><tr><td>2015</td><td>96%</td></tr></table>	Year	Ratio %	2013	63%	2014	97%	2015	96%	<p>Purpose of Asset Sustainability Ratio</p> <p>This indicator aims to determine if assets are being renewed and replaced in an optimal way</p>	<p>Commentary on 2014/15 Result</p> <p>2014/15 Ratio 96%</p> <p>Council's adopted policy is to maintain asset sustainability ratio of greater than or equal to 100% of Asset Management Plans</p>
Year	Ratio %									
2013	63%									
2014	97%									
2015	96%									

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 16. Uniform Presentation of Finances

\$ '000	2015	2014
<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	39,449	36,733
less Expenses	(38,803)	(36,819)
Operating Surplus / (Deficit)	646	(86)
less Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	5,332	5,414
less Depreciation, Amortisation and Impairment	(8,297)	(7,643)
less Proceeds from Sale of Replaced Assets	(161)	(281)
Subtotal	(3,126)	(2,510)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	13,726	8,846
less Amounts Received Specifically for New and Upgraded Assets	(3,391)	(5,197)
less Proceeds from Sale of Surplus Assets (including Investment Property & and Real Estate Developments)	(361)	(697)
Subtotal	9,974	2,952
Net Lending / (Borrowing) for Financial Year	(6,202)	(528)

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 17. Operating Leases

\$ '000	2015	2014
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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 Plant and Equipment.

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

Not later than one year	31	37
Later than one year and not later than 5 years	60	84
Later than 5 years	-	-
	<u>91</u>	<u>121</u>

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2014/15; 9.25% in 2013/14). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2013/14) of "superannuation" salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. 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.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 19. Interests in Other Entities

\$ '000

All joint ventures and associates 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	
	2015	2014	2015	2014
Regional Subsidiaries	4	(131)	776	772
Total	4	(131)	776	772

(i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

(a) Carrying Amounts

Name of Entity	Principal Activity	2015	2014
Adelaide Hills Regional Waste Management Authority	Waste Management	776	772
Total Carrying Amounts - Joint Ventures & Associates		776	772

(b) Relevant Interests

Name of Entity	Interest in Operating Result		Ownership Share of Equity	
	2015	2014	2015	2014
Adelaide Hills Regional Waste Management Authority	28%	32%	35%	35%

(c) Movement in Investment in Joint Venture or Associate

	Adelaide Hills Regional Waste Management Authority	
	2015	2014
Opening Balance	772	903
Share in Operating Result	4	(131)
Distributions Received	-	52
Adjustments to Equity	-	(52)
Council's Equity Share in the Joint Venture or Associate	776	772

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

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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 807.1 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 previously guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$0 (2014:\$21,797) 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 1 appeal 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 a number of garbage landfill facilities which emit, 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.

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2015, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

Accordingly, the "authorised for issue" date is 08/10/15.

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

Mount Barker District Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 23. Material Budget Variations

\$ '000

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual Results for the year as per the Income Statement - even though such variations may have been adjusted for during each Budget Review.

Note that for Variations* of Budget to Actual :

Material Variations represent those variances that amount to 10% or more of the original budgeted figure.

F = Favourable Budget Variation, U = Unfavourable Budget Variation

\$ '000	2015 Budget	2015 Actual	2015 Variance*	
REVENUES				
Grants, Subsidies & Contributions	2,592	2,944	352	14% F
The net impact of the early payment of the first two quarters of the 2015/16 Financial Assistance Grant \$648k less delayed receipt of Council's 2014/15 Roads to Recovery grant \$393k was a favourable variance of 14% on budget.				
Investment Income	92	78	(14)	(15%) U
Council's management of cash reserves resulted in lower interest revenue but savings of a net \$73k in finance costs.				
Reimbursements	583	709	126	22% F
Council received increased revenue for operations including home assistance program and property maintenance.				
Other Income	517	574	57	11% F
Council received income from the State Government for planning the rehabilitation of Emerald Quarry.				
Net Gain - Equity Accounted Council Businesses	(42)	4	46	(110%) F
The Adelaide Hills Regional Waste Management Authority achieved a better outcome than budgeted.				
EXPENSES				
Finance Costs	179	64	115	64% F
Delayed purchase of budgeted land on Fidler Lane Mount Barker and deferred payment for land on Bollen Road Mount Barker allowed Council to defer borrowing and reduce finance costs incurred in 2014/15.				



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

Report on the Financial Report

We have audited the accompanying financial report of Mount Barker District Council ("the Council"), which comprises the statement of financial position as at 30 June 2015, 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 Mount Barker District Council presents fairly, in all material respects, the Council's financial position as at 30 June 2015 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 handwritten signature in blue ink that reads 'BDO'.

BDO Audit Partnership (SA)

A handwritten signature in blue ink that appears to read 'G K Edwards'.

G K Edwards
Partner

Adelaide, 8 October 2015

District Council of Mount Barker

General Purpose Financial Statements for the year ended 30 June 2015

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 2015, 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: 8 October 2015



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AUSTRALIA

CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of Mount Barker District Council for the year ended 30 June 2015, 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)

A handwritten signature in blue ink, appearing to read 'G Edwards', is written over a faint, light blue circular stamp.

G K Edwards
Partner

Adelaide, 8 October 2015

Subsidiary Reports



Southern & Hills Local Government Association

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



ANNUAL REPORT 2014-2015

Address:
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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 138,700 people as at 30th June 2014.
- ☑ 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 2014 – 2015

President	Mayor Ann Ferguson, DC Mount Barker (June 14-Feb 15)
	Mayor Bill Spragg, Adelaide Hills Council (Feb 15-
Deputy President	Mayor Jayne Bates, Kangaroo Island Council (June 14-Feb 15)
	Mayor Keith Parkes, Alexandrina Council (Feb 15-
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 (June 14-Feb 15)
	Mayor Keith Parkes, Alexandrina Council (Feb 15-
Delegates to SAROC	Mayor Ann Ferguson June 14-Feb 15
	Mayor Bill Spragg Feb 15
	Mr Graeme Martin
Proxy Delegate to SAROC	Mayor Jayne Bates (June 14-Feb 15)
	Mayor Keith Parkes, Alexandrina Council (Feb 15-

President's Forward

The 2014-2015 year has been one of change for the Southern and Hills Local Government Association following the Local Government Election in October.

We have sadly seen departures of some of our region's long serving, well respected and well known Mayors and Councillors but also had the pleasure of welcoming new members to our family.

The 2014-2015 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 finalise the very comprehensive but hugely important 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.

As in the past 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 at regional, state and national level. Financial sustainability and evidence of the value of the organisation will be the key challenges going forward.

We have continued to build our strong relationship with our peak representative body the LGA (SA) and our regional economic development organisation, Regional Development Australia as well as PIRSA and the Natural Resource Management Boards as we confront the many impacting regional issues.

Thank you to outgoing President, Mayor Ann Ferguson who completed her term in February and also thank our Executive Officer, Graeme Martin for his continued support and commitment.

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

Mayor Bill Spragg
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:

28 August 2014	–	Victor Harbor
23 October 2014	-	Adelaide Hills
11 December 2014	-	Mt. Barker
20 February 2015	-	Kangaroo Island
17 April 2015	-	Barossa
21 June 2015	-	Alexandrina

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 China Engagement strategy, the regional Climate Change Adaptation project and a regional workplan in partnership with PIRSA.
- o Continued working with the LGA and the lobbying on the review of the Native Vegetation Council Significant Environmental Benefits (SEB) offset scheme as well as roadside vegetation management and SA Powernetworks tree clearance policy.
- o Developed and completed the final stage two of a regional SA Public Health Plan.
- o Input into the SA State Government Planning Reform project.
- o Completed the updating of the Roads Database component of the regional 2020 Transport Plan and continued the comprehensive review of the Regional Transport Plan.
- o Successfully implemented a new cloud based Xero accounting system.
- 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. 7 various speakers addressed meetings of the Board and 1 regional workshop was 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 2014-2015

At the conclusion of the period 2014-2015 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 March 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 2015 – 2016
 - Rapid Bay – District Council of Yankalilla, Requested Grant \$500,000
 - Ocean Road – City of Victor Harbor, Requested Grant \$979,000

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 the Essential Services Commission of SA (ESCOSA) to review Water Industry reform and the implications of the Water Industry Act 2012, The S&HLGA Council CEO group has been reviewing options for CWMS assets in light of:

- The risk factors and increasingly time and resource consuming compliance regime associated with this critical asset management.
- The opportunity for regional scale
- continued interest from the private sector.

This work will be a regional priority and 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 Senate Select Committee on Wind Turbines on behalf of the S&HLGA region.
- To the State Government SE Asia Engagement Strategy
- To LGA Research & Development Scheme for funding to research a peri-urban Greater Adelaide 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.
- RDA Climate Adaptation working 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:

- SA Powernetworks Vegetation Management
- Libraries of the Future
- SA State Government Community Cabinet
- LGA Public Health Conference
- Regional Organisations Charters & Levies review

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:

- Continuing lobbying and input into the ongoing review of the Native Vegetation Council SEB offsets methodology and calculation
- Continuing lobbying for a more balanced & nationally consistent approach to planning, regulation for rural and regional road safety & speed limits
- Continuing the development of a balanced and consistent community access policy and position to Department of Education sport and recreational facilities.
- Further Input into the development of policy on the use of Council Resources and Council reactions in Emergency response operations post Samson Flat Disaster
- Development of a Mining Engagement Protocol
- Input into the proposed Emergency Service reform of the sector by the state government and the impact into proposed alterations to the Emergency Services levy
- Active lobbying with the State Government on proposed removal of Pensioner & Senior Concessions on rates
- Submission and input into the State Government Expert Panel on Planning Reform
- Input into the development of the LGA Regions Work Plan
- Development of Regional Council Tourism activities and expenditure survey
- Advocating and lobbying Federal Government in the reinstatement of the SA Supplementary Road Fund

LGA Board Committee

S&HLGA President (July 2014 – February 2015), Mayor Ann Ferguson has represented the Southern and Hills Region at the Local Government Association State Board meetings as the region's Delegate, and former Kangaroo Island Mayor, Jane Bates has acted as proxy delegate until February 2015. Mayor Keith Parkes, Alexandrina has filled the proxy position since February 2015.

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 2014 - 2015.

Acronyms

AMLRNRM.....	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
PIRSA.....	Primary Industries & Regions SA
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 2015**

	2015 \$	2014 \$
Income		
Subscriptions	107,235	98,423
Operating Grants	88,395	37,225
Investment Income	1,829	1,988
Other	28,282	19,269
	<hr/>	<hr/>
Total Income	225,650	156,905
Expenditure		
Contractual Services	164,320	128,575
Finance Charges	3,121	3,588
Other	14,135	15,790
	<hr/>	<hr/>
Total Expenditure	181,576	147,953
Surplus (Deficit) from Operations	<hr/> 44,074 <hr/>	<hr/> 8,953 <hr/>
	<hr/> \$ <hr/>	<hr/> \$ <hr/>
Current Assets		
Investments	107,772	59,548
Debtors	4,118	3,721
	<hr/>	<hr/>
Total Current Assets	111,890	63,269
Current Liabilities		
Accounts Payable	22,945	18,398
	<hr/>	<hr/>
Total Current Liabilities	22,945	18,398
Net Current Assets	<hr/> 88,945 <hr/>	<hr/> 44,871 <hr/>
	<hr/>	<hr/>
Net Assets	<hr/> 88,945 <hr/>	<hr/> 44,871 <hr/>
Equity		
Accumulated Surplus	88,945	44,871
Total Equity	<hr/> 88,945 <hr/>	<hr/> 44,871 <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

2014 - 2015

Address: 13 Ringier 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 – 2017 has been 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 Budget of each of the Financial Years covered by the plan. These provide the resources for the Plan.

An Annual Key Action 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 Action 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 2014 - 2015		Success Indicators Action Plan 2014-2015		Achievements
	Key Actions	Performance Targets	KPO	KPI	
1. To provide leadership and advocacy for Member Councils on regional issues.	<p>Bi-Monthly Meetings to focus on Local Government issues that support Councils to achieve their Business Plan outcomes by:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Meetings to include presentations, workshops and forums on Key Issues <input checked="" type="checkbox"/> Respond as necessary to State and Federal Government Policies which impact on the region 	<p><input checked="" type="checkbox"/> Strategies that give priority to S&HLGA issues</p> <p><input checked="" type="checkbox"/> Satisfaction data on the meeting format, speakers</p>	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. Windfarm submission to Senate Select committee 27/02/2015
2. To promote & market the Southern & Hills Local Government Association	Ensure the new website is current and marketed appropriately	<input checked="" type="checkbox"/> Update the website as required and review	Maintain an informative, current and appealing S&HLGA website		1. Website overhaul & maintenance 10/03/2015

Business Plan	Action Plan 2014 - 2015		Success Indicators Action Plan 2014-2015		Achievements
	Key Actions	Performance Targets	KPO	KPI	
Objective	<p>To provide sound financial management and manage resources effectively</p> <p><input checked="" type="checkbox"/> To prepare annual Budget and review as required</p> <p><input checked="" type="checkbox"/> Migrate the Financial Accounting to the cloud based Xero System</p>		<p>To manage the financial affairs within budget and to prepare reporting within the required timeframes. Business Plan objectives and actions are addressed.</p>	<p>Budget is maintained and reports meet timelines. Objectives and actions within Business Plan have been addressed to meeting agreed to timelines.</p>	<p>1. Xero cloud based accounting commenced 01/7/2014. Carried forward data and budgets completed</p> <p>2. Actual v Budget performance reviewed each Bi monthly S&HLGA Board meeting.</p> <p>3. Annual External Audit commenced July 2014</p> <p>3. Audit completed and Annual Report completed & distributed 10 Sept 2014</p>
	<p>○ CEO's to inform EO of issues for each meeting</p> <p>○ Stakeholders to inform EO of issues for each meeting</p> <p>○ Strengthen interaction with State government and opposition MP's</p>	<p><input checked="" type="checkbox"/> Maintain the CEO's forum</p>	<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. CEOs pre-board meetings readjusted & reactivated</p>

Business Plan	Action Plan 2014 - 2015			Success Indicators Action Plan 2014-2015		Achievements
Objective	Key Actions	Performance Targets	KPO	KPI		
	<ul style="list-style-type: none"> Regional issues to be raised with LGA through SAROC 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Number of issues raised with LGA / SAROC / Agencies <input checked="" type="checkbox"/> Number of LGA/SAROC Task groups and Committees involved in 			<ol style="list-style-type: none"> Mining Development Plan protocols R&D application submitted July 25 EO workshop - Charters and Levies 24/9/14 Regional Road Strategy and collation of regions Transport Plans into one overarching LGA Document Planning Reform Workshop 22/8/14 Regional Health issues SAROC 18/03/2015 Mining Protocols Working Group April 2015 	
3. To support sustainable economic, environmental, & social development in the region	Environment <ul style="list-style-type: none"> Liaise with the regions NRM's Review current NRM/Council operational plans Partner the RDA in a regional Climate Change Vulnerability Assessment and/or Climate change adaptation study Actively support the region's position in the LGA review of the current NRM model and NVC SEB offset review 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Formal Board Report on existing Operational plan <input checked="" type="checkbox"/> Regional study report presented to S&HLGA Board 			<ol style="list-style-type: none"> RDA Climate Change workshops 30/7/14, 26/5/15 NVC meeting 17/7/14 	

Business Plan	Action Plan 2014 - 2015		Success Indicators Action Plan 2014-2015		Achievements
	Key Actions	Performance Targets	KPO	KPI	
Objective					
	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. Peri-Urban R&D application lodged 24/7/14
	Health Complete stage 2 of the regional Health Plan in accordance with the State Public Health Plan	<input checked="" type="checkbox"/> Completed Regional Health Plan			1. Stage 1 Background Report completed Dec 2014 2. Stage 2 Draft Directions Report out for consultation 10/03/2015
	Regional Development Support the RDA in all regional economic issues and projects	<input checked="" type="checkbox"/> Regular meetings with the RDA <input checked="" type="checkbox"/> RDA reports to the Board against the agreed KPIs	Key Stakeholder feedback and Council satisfaction		1. SAROC/LGA submissions to Commonwealth Govt on Funding and Board appointments. 2. Submission into State Govt SE Asia Engagement Strategy Sept 2014 3. Electric Vehicle network proposal presented 20/02/2015 4. China-Australia Workshop 18/03/2015

Business Plan	Action Plan 2014 - 2015		Success Indicators Action Plan 2014-2015		Achievements
Objective	Key Actions	Performance Targets	KPO	KPI	
4. <i>To improve infrastructure to meet the community's needs.</i>	Transport Continue to manage the S&HLGA Road Works committee and the 2020 Transport Plan. Waste/Water Activate the CWMS user group Support the LGA review of waste levy management and projects and participate in discussions of the creation of a post zero waste entity Telecommunication Lobby for equitable access for the region for digital technology including broadband upgrades and mobile coverage	<input checked="" type="checkbox"/> 2015/2016 SLRP funding applications assessed and submitted <input checked="" type="checkbox"/> Documented CWMS meetings and outcomes <input checked="" type="checkbox"/> Waste management report presented to the Board	Roads Database Report is updated and meeting critical timelines. This provides a reference for the SLRP and other Road and infrastructure recommendations for funding The updated 2020 Transport Study provides the basis of a regional infrastructure plan.	Completed Blackspot submissions and NBN requests	1. RWP meeting to assess Regional priorities for 2015-16 SLRP funding 13/03/2015 2. Regional SLRP applications lodged with the LGA 24/04/15 <

Business Plan	Action Plan 2014 - 2015		Success Indicators Action Plan 2014-2015		Achievements
	Objective	Key Actions	Performance Targets	KPO KPI	
5.		<p>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</p> <p><input checked="" type="checkbox"/> LGA Regional Capacity Building Grant successfully applied for</p>			<p>1. 2013-2014 LGA capacity Grant acquitted 14/8/14</p> <p>2. 2014-2015 LGA capacity Grant invoiced & received 6/9/2014</p>
		<p>Review the membership base of the S&HLGA and explore the possibility of a Peri Urban Region or identify additional members</p> <p><input checked="" type="checkbox"/> Joint S&HLGA and Central Region LGA Research & Development application on an organisational review and investigation of a peri-urban region</p>		<p>LGA grant successful.</p> <p>Issues have been identified, investigations into a Peri Urban Region has been completed and reported back to the LGA, S&HLGA & Central Regions, including recommendations.</p>	<p>1. SAROC/LGA joint study proposed 24/9/14</p> <p>2. 2015-2016 LGA Outreach Services Funding application successful</p>
		<p>Benchmark and review the Long term financial sustainability of Councils including future growth trends, alternative revenue options and optimal size and boundaries</p> <p><input checked="" type="checkbox"/> Workshop participation and Progress and Outcome Reports to the Board</p>		<p>Key Stakeholder feedback and Council satisfaction</p>	<p>1. SA Powernetworks workshop reviewing strategic vegetation management 3/9/2014</p> <p>2. Future of SA Libraries Visioning workshop 30/9/2014</p>

Business Plan	Action Plan 2014 - 2015		Success Indicators Action Plan 2014-2015		Achievements
	Key Actions	Performance Targets	KPO	KPI	
Objective	<p>Manage S&HLGA Local Government compliance obligations in 2014-2015</p> <p><input checked="" type="checkbox"/> Successful election of Office Bearers according to its Charter following Local Council elections</p> <p><input checked="" type="checkbox"/> Review Charter</p>				<p>1. New S&HLGA President and Deputy elected 20/02/2015</p> <p>1. Preliminary Charter review with EOs/SAROC 24/9/14</p> <p>2. Input into LG Act amendments Bill on issues on Training and PD as well as Regional Organisational red tape reduction</p>



Chartered Accountants

27th August 2015

The Board
Southern & Hills Local Government Association
C/-Mr Graeme Martin
13 Ringmer Dr.
Burnside
SA 5066

Dear Board Members

**STATEMENT OF AUDITORS INDEPENDENCE
ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 June 2015**

In accordance with Regulation 22(5) Local Government (Financial Management) Regulations 2011 and the Local Government Act 1999, we confirm that, for the audit of the financial statements of Southern & Hills Local Government Association for the year ended 30 June 2015, 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.

**HLB Mann Judd
Chartered Accountants**

**Trevor Hirth
Partner**

**Adelaide, South Australia
27 August 2015**

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

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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

Report to the Members of the Board and Audit Committee

Year ended 30 June 2015

■ Your Business | Our Specialty ■



Accountants | Business and Financial Advisers

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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 2015 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	Pending
Signed Financial Statements for the year ended 30 June 2015	Pending
Statement of Auditors Independence	Completed 27.08.2015
Independent Auditors Report	Pending

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. Please express our thanks to the Executive Officer Graeme Martin for his co-operation and assistance.

1.5 Audit opinion

Subject to receiving the signed management representation letter and financial statements, an unqualified audit report will be issued for the year ended 30 June 2015.

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 Cashflow Statement, and assisted with some minor enhancements/corrections to the financial statements for the year ended 30th June 2015. We also acknowledge the improvement in reporting with upgrading to the Xero accounting system.

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 2015.

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.

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

FINANCIAL STATEMENTS

Statement of Comprehensive Income for the Year Ending 30th June 2015

	Notes	2015 \$	2014 \$
Income			
Subscriptions	1.8	107,235	98,423
Operating Grants		88,395	37,225
Investment Income	1.7	1,829	1,988
Other		28,282	19,269
Total Income		225,650	156,905
Expenditure			
Contractual Services	3	164,320	128,575
Finance Charges		3,121	3,588
Other		14,135	15,790
Total Expenditure		181,576	147,953
Surplus (Deficit) from Operations		44,074	8,953

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Balance Sheet as at 30th June 2015

		2015	2014
	Notes	\$	\$
Current Assets			
Investments		107,772	59,548
Debtors		4,118	3,721
Total Current Assets		111,890	63,269
Current Liabilities			
Accounts Payable		22,945	18,398
Total Current Liabilities		22,945	18,398
Net Current Assets		88,945	44,871
Net Assets	1.4	88,945	44,871
Equity			
Accumulated Surplus		88,945	44,871
Total Equity		88,945	44,871

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 2015

	2015	2014
Notes	\$	\$
Accumulated Surplus		
Balance at beginning of period	44,871	35,918
Net Surplus / (Deficit)	44,074	8,953
Balance at end of period	88,945	44,871
Total Equity	88,945	44,871

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 2015

		2015	2014
	Notes	\$	\$
Cash Flows from Operating Activities			
Receipts		223,425	176,348
Payments		(177,029)	(164,401)
Interest Receipts		1,829	1,988
Net Cash Provided by (Used in) Operating Activities		48,225	13,935
Net increase in Cash Held		48,225	13,935
Cash at the beginning of the reporting period		59,548	45,613
Cash at the end of the reporting period		107,773	59,548

Reconciliation of Change in Net Assets to Cash from operating activities

	2015
	\$
Net Surplus	44,074
Less	
Net Increase in Debtors	(396)
Add	
Net Increase in Accounts Payable	4,547
Net Cash provided by Operating Activities	48,225

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

Note 1 - Significant Accounting Policies

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 Of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, 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 2015	\$10,250
Constituent Council Subscription 2014	\$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	%	
2015	88,305	109,341	197,650	87.6%	151,385	83.4%	46,265
2014	37,225	84,180	121,405	77.4%	117,777	79.6%	3,628

Projects

2015	0	28,000	28,000	12.4%	28,871	15.9%	(871)
2014	0	18,000	18,000	11.5%	22,000	14.9%	(4,000)

Transport and Communication

2015	0	0	0	0%	1,320	0.7%	(1,320)
2014	0	17,500	17,500	11.1%	8,175	5.5%	9,325

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							
2015	88,305	137,346	225,650	100.0%	181,576	100.0%	44,074
2014	37,225	119,680	156,905	100.0%	147,953	100.0%	8,953

3. Contractual Services

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

		2015	2014
Consultants:	Suter Planners	\$28,000	\$22,000
	Grange Advisors Pty Ltd	\$135,000	\$98,400
	HDS Australia Pty Ltd	<u>\$1,320</u>	<u>\$8,175</u>
	Totals	\$164,320	\$128,575

4. Comparison of Budget and Actual Results

	2015		2014	
	Budget \$	Actual \$	Budget \$	Actual \$
Revenue				
Administration	121,827	147,650	119,257	121,405
Projects	53,000	78,000	20,500	18,000
Transport and Communication	0	0	17,500	17,500
Total Revenue	174,827	225,650	157,257	156,905
Expenditure				
Administration	159,150	151,385	116,933	117,777
Projects	28,000	28,871	30,000	22,000
Transport and Communication	1,200	1,320	17,500	8,175
Total Expenditure	188,350	181,576	164,433	147,952
Surplus (Deficit)	(13,523)	44,074	(7,176)	8,953

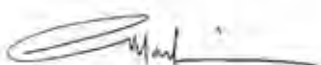
Southern & Hills Local Government Association – Financial Statements Year Ended 30th June 2015

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 2015 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 2015



Graeme Martin
EXECUTIVE OFFICER



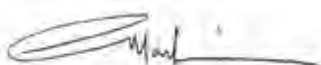
Mayor Bill Spragg
PRESIDENT

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 2015, 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 2015



Graeme Martin
EXECUTIVE OFFICER



Mayor Bill Spragg
PRESIDENT



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 2015, 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.

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100 Fullarton Road, Dulwich SA | Telephone +61 (0)8 8133 5000 | Facsimile +61 (0)8 8431 3002
Postal: PO Box 377, Kent Town SA 5071

HLB Mann Judd (SA Partnership) is a member of the HLB network. It is not an independent member of the network.
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**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 2015 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
HLB Mann Judd
Chartered Accountants

Trevor Hirth
Trevor Hirth
Partner

Adelaide, South Australia

3 September 2015

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HLB Mann Judd (SA Partnership) is a member of HLB network of member firms. HLB is a global network of independent member firms affiliated with the HLB network of independent member firms. HLB is a global network of independent member firms affiliated with the HLB network of independent member firms. HLB is a global network of independent member firms affiliated with the HLB network of independent member firms.

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Annual Report 2014/ 2015



Adelaide Hills
COUNCIL



MOUNT BARKER
DISTRICT COUNCIL



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY



Cr. Ian Bailey – Chair AHRWMA

The 2014/15 financial year has seen a move to positive growth and improved financial performance for the Authority. This has resulted in an improvement of \$420k in our net financial position and a return to profit. In addition, there have been significant long term benefits achieved for some of our Member Councils as part of a joint Collection Tender process.

The Authority was able to coordinate a joint waste, recyclables and organics collection tender process between some of our Member Councils. This was done to achieve a greater economies of scale which has in turn led to significantly improved collection contract rates and substantial savings for participating Member Councils. This is consistent with the Authority's current vision to achieve "Sustainable Waste Management through Shared Services" for its Member Councils.

The Authority welcomed the addition of Peter Brass as its new independent Audit Committee Presiding Member. Peter brings with him a wealth of risk management and audit experience both within state and local government, including other waste authorities. Following on from a recent review of our internal financial controls the Audit Committee will be focusing on ensuring that we have appropriate procedures and policies in place. This will lead up to conducting a statutory compliance review which will be undertaken in the 2015/16 financial year.

The Authority has also commenced a significant review of its Charter. This is to ensure that the Charter reflects the current environment in which we operate and provides certainty and continued benefits for its Member Councils. This review process should be completed in the 2015/16 financial year.

I would like to thank Member Councils for their support of the Authority through what has been a very testing period with increased competition and a legal challenge. Thanks also goes to the Executive Officer and his team for achieving a great result in a difficult environment.

We are looking forward to an exciting period as the Authority continues to pursue opportunities where it can add value to Member Council waste and recycling services.

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

THE BOARD

Mount Barker District Council



Lindsay Campbell
Councillor



David Peters
GM Corporate Services



Greg Morrison (Deputy)
Councillor

Alexandrina Council



Madeleine Walker
(Deputy Chair)
Councillor



Simon Grenfell
GM Infrastructure & Environment



Jim Davis (Deputy)
Councillor

Adelaide Hills Council



Ian Bailey (Chair)
Councillor



Marc Salver
Director Strategy & Development



Lynton Vorw (Deputy)
Councillor

Rural City of Murray Bridge



Theo Weinmann
Councillor



Simon Bradley
GM Infrastructure and Environment



Andrew Baltensperger (Deputy)
Councillor

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 2014/15

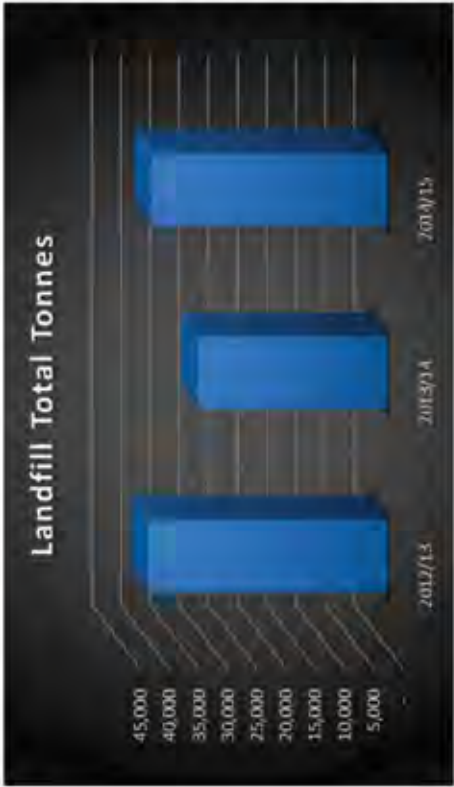
Some of the key activities for this year include:

- Appointed new Audit Committee Chair/Independent Member - Peter Brass.
- Continued legal response to SWR Claim.
- Commenced design of new Brinkley Cell 8/9.
- Completed construction and obtained approval for use of a new leachate pond at the Brinkley Landfill.
- Continued consultancy service role offered and provided to Member Councils.
- Successful tender finalised for combined collection tender contract with participation by Rural City of Murray Bridge, District Council of Mount Barker and Adelaide Hills Council.
- Roll out of Safe Work SA's new transfer station requirements. This has involved designing, manufacturing and installing new boom gate safety barriers to separate customers from potential fall from height risks whilst unloading their vehicles and trailers.
- Authority's crushing plant will have crushed approximately 15,000 tonnes this financial year – we are aiming to grow this to 25-30,000 tonnes per annum.
- The sorting and baling plants, part funded by ZerowasteSA, have to date processed approximately 4,000 tonnes of cardboard, paper and plastics which have been diverted from landfill, baled and supplied into the recyclables market.
- Continuing the implementation of actions from the review of the Authority's current financial controls which was undertaken by UHY Haines Norton.
- Substantial Charter Review underway with assistance from Norman Waterhouse Lawyers.
- A proposal was submitted to operate the Windmill Hill Transfer Station on behalf of Mount Barker District Council.
- There was strong Growth in patronage at Heathfield.
- An extended hours trial is currently underway at the Brinkley Transfer Station.
- There was steady growth in landfill operations achieving favourable revenue of \$177k

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Landfill Operations

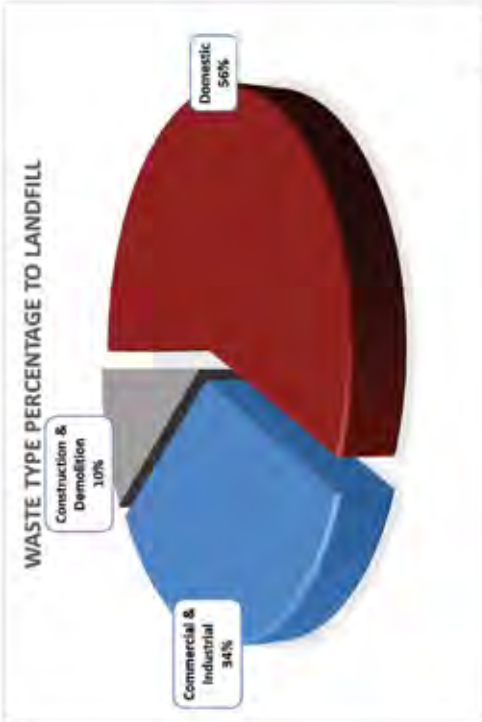
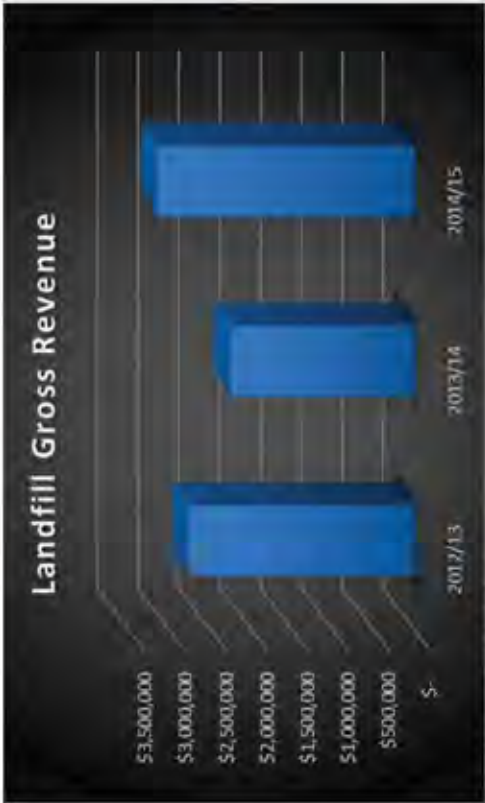
Brinkley Landfill Statistics



With the move to the Brinkley Landfill site and a new operator being established at the Hartley Landfill in February 2013 there has been increased competition for waste streams. This is evident in the 2013/14 financial year where substantial discounts have been offered by the Hartley operators. The Authority has not offered discounts to match the Hartley site but has instead focused on providing quality service and looking at opportunities to value add for customers.

It is important for Local Government that the waste and recycling industry be sustainable both now and into the future.

The increased tonnes in the 2014/15 financial year is a positive indicator for this strategy. We will however continue to monitor the market effects on our longer term planning.



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Transfer Station Operations

The Authority currently manages two transfer stations on behalf of its Member Councils. These sites are the Heathfield Transfer Station which serves the Adelaide Hills Council area with an approximate population of 40,000 people and the Brinkley Transfer Station which serves the Rural City of Murray Bridge area with an approximate population of 21,000 people.

HEATHFIELD TS TRANSACTIONS

17,857



2012/13

21,237



2013/14

23,218



2014/15

The Heathfield Transfer Station has shown strong customer growth since the Authority commenced operations in 2012. This has been assisted by the continued and consistent use of the facility by the Adelaide Hills Council (AHC) operations area and joint projects to produce quality road base materials from recycled products.

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

The Brinkley Transfer Station has shown improved usage in the 2014/15 financial year. The use of the site by the Rural City of Murray Bridges (RCMB) operations area has been inconsistent over recent years which has resulted in fluctuations of site usage.

BRINKLEY TS TRANSACTIONS

6,811  2013/13

6,598  2013/14

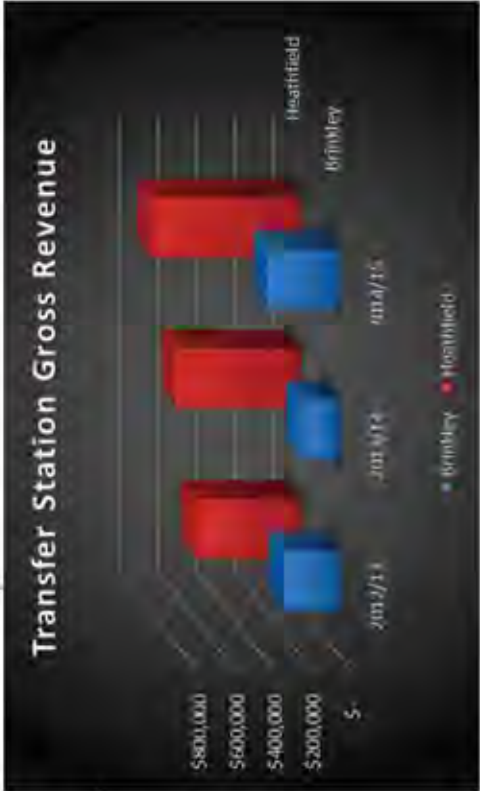
7,729  2014/15

The Authority will continue to focus on expanding the construction and demolition resource recovery operations at the site which should further improve performance of the transfer station.

In addition, there will need to be a more concerted marketing campaign to promote the Brinkley Transfer Station's services.

The Heathfield Transfer Station finished the year with a net loss of approximately \$83,000 compared to its budgeted net loss of \$63,000. This is a good outcome considering the additional expenses that were associated with upgrading the site to comply with new Safe Work SA transfer station requirements. When removing these extraordinary costs, the Heathfield Transfer Station essentially met its budget for the 2014/15 financial year.

The Brinkley Transfer Station was able to return a small profit of \$4,389 for the 2014/15 financial year which was favourable compared to the break-even budgeted target. The favourable net revenue is returned to the Rural City of Murray Bridge.



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Kerbside Waste and Recycling Collections

The Adelaide Hills Region Waste Management Authority employs a Waste Strategy Coordinator on behalf of three of its Member Councils. The Waste Strategy Coordinator manages waste services across the Adelaide Hills Council, the Mount Barker District Council and the Rural City of Murray Bridge.

Recycling Service

The amount of recyclables collected through the kerbside service across the three member Councils is 3.7kg per household per week (kg/hh/wk), which is very similar to the previous year. This indicates that the kerbside recycling collection service is being well utilised.

Kerbside recycling tonnage comparisons

Year	Services	Tonnes Collected
2010-2011	37722	8330
2011-2012	38298	8122
2012-2013	38696	7706
2013-2014	39059	7435
2014-2015	39533	7640

Whilst there has been an increase in recyclables collected this year the overall tonnes of recyclables collected are still down in comparison to 2010-2011. This may be due to an initial large uptake following the introduction the new service which also included an education campaign. The Authority will assist in the coordination of a new education campaign to be rolled out in conjunction with the new collection contracts scheduled for commencement in October 2015. The results from future kerbside audits will help us to better understand what underlying factors are at play. These results will be fed into future education programs.



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

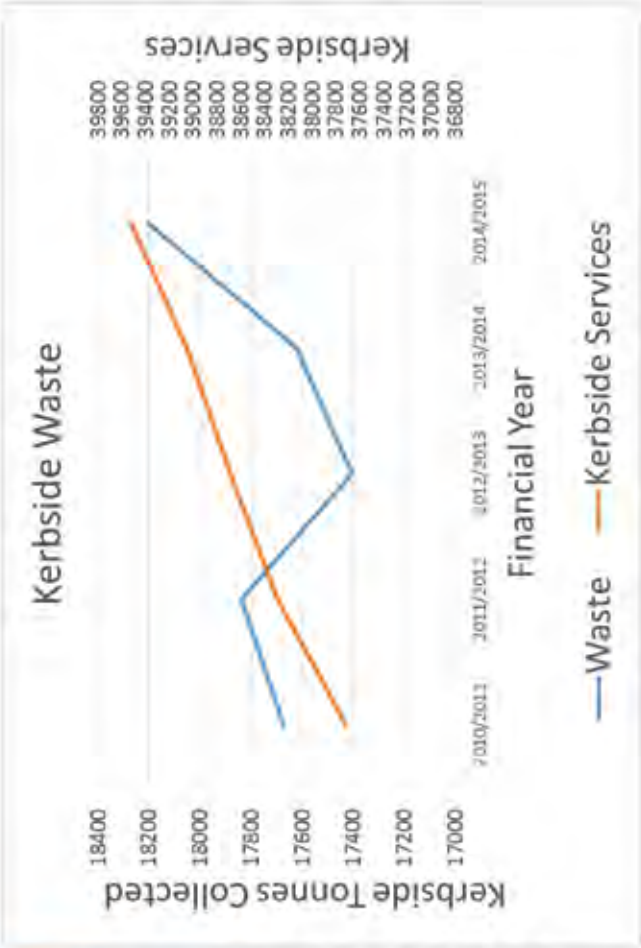
Waste Service

The amount of waste collected through the kerbside service across the three member Councils is 8.9kg/hh/wk, which is 0.2 kg/hh/wk more than the previous year. The waste disposed to landfill per property has seen slight a reduction over the past five years, from 9kg/hh/wk down to 8.9kg/hh/wk, with the lowest being 8.7kg/hh/wk in 2011/2012 and 2012/2013. Waste production has not exceeded growth, which is positive when considering that the number of products and packaging generated for sale would likely have increased during this time.

Kerbside waste tonnage comparisons

Year	Services	Tonnes Collected
2010-2011	37722	17674
2011-2012	38298	17839
2012-2013	38696	17406
2013-2014	39059	17625
2014-2015	39533	18206

The focus on a new waste and recycling education program, with the introduction of new collection services in October 2015, should lead to a reduction in the kgs per household going to landfill. Future kerbside audits will also assist our understanding of any trends that may be occurring within the makeup of waste going to landfill and whether any changes are required.



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Green Organics Service

Properties within the Township areas of the three Councils are entitled to a green bin service. The details of the number of services within those townships over the past five years is not available. However during 2014-2015 approximately 28,768 properties were entitled to a green bin service. Based on this it can be determined that 5.2kg/hh/wk of green organics are collected.

The table and graph below shows that the amount of green organics collected has increased significantly over the last five years, with the introduction of the kerbside service to townships within the Adelaide Hills Council and the introduction of a complete food scraps collection program across the Mount Barker District Council and an optional program within the Adelaide Hills Council.

Kerbside green organics tonnage comparisons

Year	Tonnes Collected
2010-2011	4430
2011-2012	4624
2012-2013	6360
2013-2014	7718
2014-2015	7850

There has been positive growth in the diversion and collection of Kerbside Green Organics. At 5.2 kg per household per week the average yield is lower than for metropolitan council areas where the average is typically 3 kg higher. This may be due to a higher percentage of residents doing their own composting within the hills areas. More research will be required to assess what the underlying factors are.



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

A new Collection contract will commence across the Rural City of Murray Bridge and the Mount Barker District Council and all Councils will now receive a return for their recyclables. A new education campaign will be implemented to further increase the recyclables collected and reduce the contamination rates within the recycling bins. Contamination, as is currently reported by the recycler, is approximately 27%, however detailed kerbside audits will give a better indication of contamination rates in the future.

All three Councils Waste Strategies are in the process of being updated which will provide new direction for waste management services within those Council areas for the next five years.

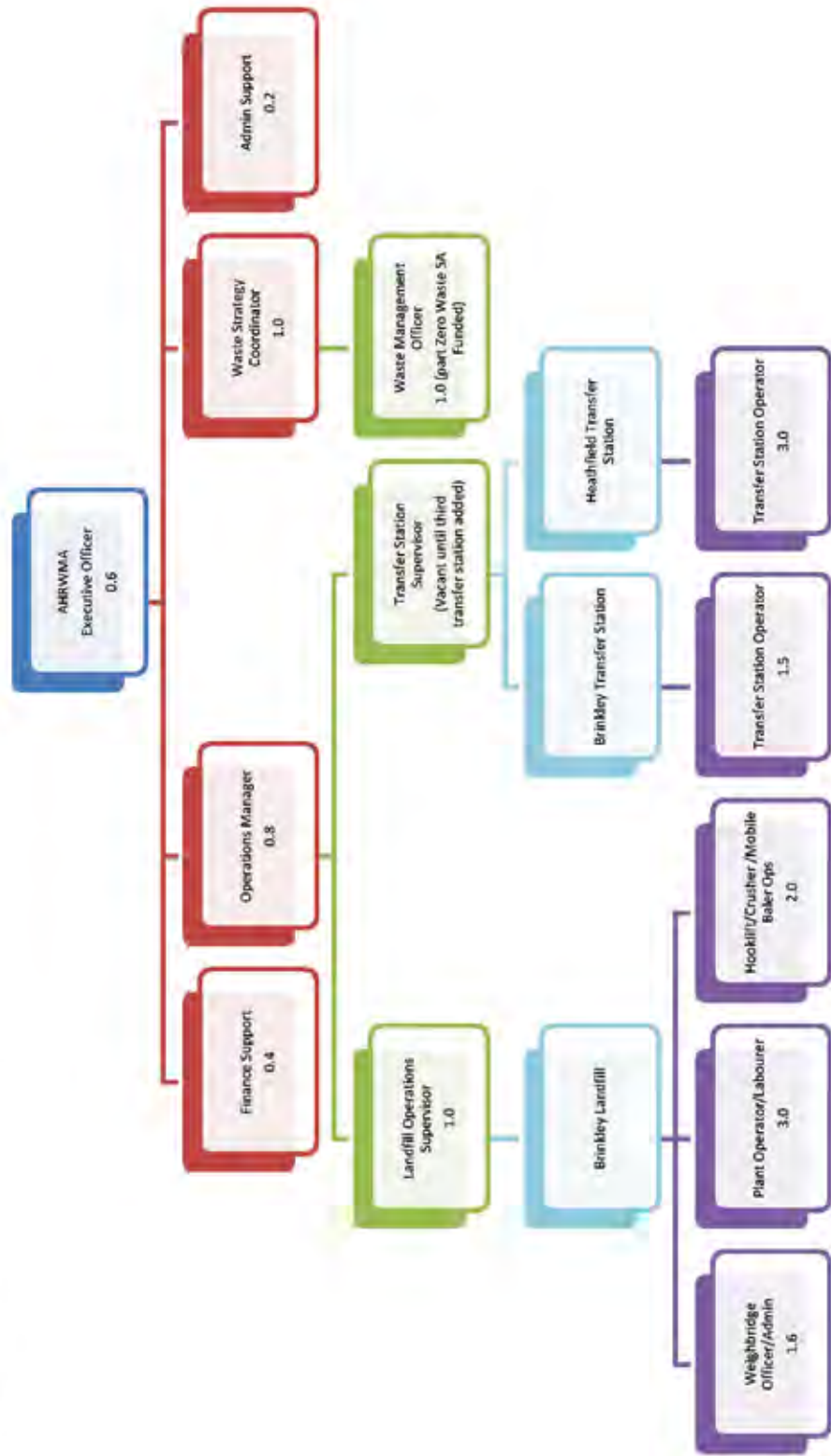
A bin tagging trial program has been completed and a report detailing the outcome of this project will be prepared, which will identify opportunities for using this as an education tool into the future.

The Adelaide Hills Council's 6-month Hard Waste Collection Service is due to commence again in October 2015, this service is currently being provided by Finding Workable Solutions, a not for profit community organisation, and is focuses on the reuse of the hard waste items collected.

The Adelaide Hills Council and the Mount Barker District Council continue to hold free green organics days throughout the year. There are three of these events held each year on a coordinated basis between the two Councils.

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Organisational Chart



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Financial Performance

Profit & Loss [Budget Analysis]

July 2014 To June 2015

	Selected Period	Budgeted	\$ Difference
Income			
Interest	\$1,196	\$0	\$1,196
Landfill Income	\$3,166,970	\$2,989,000	\$177,970
Transfer Station Income	\$1,185,436	\$804,053	\$381,383
AHRWMA Income	\$451,650	\$283,310	\$168,340
Other Income	\$215,363	\$203,000	\$12,363
Total Income	\$5,020,615	\$4,279,363	\$741,252
Expenses			
Human Resources	\$852,582	\$965,730	(\$113,148)
Administration	\$618,376	\$678,038	(\$59,662)
Operations	\$2,829,141	\$2,160,682	\$668,459
Depreciation/Amortisation	\$704,744	\$639,752	\$64,992
Total Expenses	\$5,004,844	\$4,444,202	\$560,642
Net Profit/(Loss)	\$15,771	(\$164,839)	\$180,610

Improvements in Landfill Income have enabled a favourable outcome in our net budget with a small profit of \$15,771 compared to the original budgeted loss of \$164,839.

Our revised Long Term Financial Plan shows the Authority returning to sustained profit in future years.

Adelaide Hills Region Waste Management Authority

General Purpose Financial Reports for the year ended 30 June 2015

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Adelaide Hills Region Waste Management Authority

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2015

	Notes	2015 \$	2014 \$
INCOME			
User charges	2	3,153,995	2,262,588
Investment income	2	1,196	3,242
Other income	2	1,865,424	1,819,189
Total Income		<u>5,020,615</u>	<u>4,085,019</u>
EXPENSES			
Employee costs	3	852,582	840,452
Materials, contracts & other expenses	3	3,415,025	2,979,455
Depreciation, amortisation & impairment	3	704,744	652,737
Finance costs	3	11,504	9,488
Total Expenses		<u>4,983,855</u>	<u>4,482,132</u>
OPERATING SURPLUS / (DEFICIT)		36,760	(397,113)
Asset disposal & fair value adjustments	4	(20,989)	(7,079)
Amounts received specifically for new or upgraded assets	2	-	-
NET SURPLUS / (DEFICIT)		<u>15,771</u>	<u>(404,192)</u>
transferred to Equity Statement			
TOTAL COMPREHENSIVE INCOME		<u>15,771</u>	<u>(404,192)</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 2015

		2015	2014
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	309,028	192,437
Trade & other receivables	5	477,982	629,817
Inventories	5	6,430	12,689
Total Current Assets		793,440	834,943
Non-current Assets			
Infrastructure, Property, Plant & Equipment	6	3,104,599	3,371,647
Total Non-current Assets		3,104,599	3,371,647
Total Assets		3,898,039	4,206,590
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	515,049	582,290
Provisions	7	71,891	70,115
Total Current Liabilities		586,940	652,405
Non-current Liabilities			
Borrowings	7	200,000	427,000
Provisions	7	878,994	910,851
Total Non-current Liabilities		1,078,994	1,337,851
Total Liabilities		1,665,934	1,990,256
NET ASSETS		2,232,105	2,216,334
EQUITY			
Accumulated Surplus	8	2,232,105	2,216,334
TOTAL EQUITY		2,232,105	2,216,334

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 2015

	Notes	Accumulated Surplus \$	TOTAL EQUITY \$
2015			
Balance at end of previous reporting period		2,216,334	2,216,334
		<u>2,216,334</u>	<u>2,216,334</u>
Net Surplus / (Deficit) for Year		15,771	15,771
		<u>15,771</u>	<u>15,771</u>
Balance at end of period		2,232,105	2,232,105
		<u>2,232,105</u>	<u>2,232,105</u>
2014			
Balance at end of previous reporting period		2,620,526	2,620,526
Distribution to Councils		-	-
		<u>-</u>	<u>-</u>
Net Surplus / (Deficit) for Year		(404,192)	(404,192)
		<u>(404,192)</u>	<u>(404,192)</u>
Balance at end of period		2,216,334	2,216,334
		<u>2,216,334</u>	<u>2,216,334</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 2015

		2015	2014
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES	Notes		
<u>Receipts</u>			
Operating receipts		5,536,594	4,183,197
Investment receipts		1,201	7,826
<u>Payments</u>			
Operating payments to suppliers & employees		(4,667,414)	(4,330,162)
Finance payments		<u>(15,805)</u>	<u>(9,488)</u>
Net Cash provided by (or used in) Operating Activities	10	854,576	(148,627)
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		-	-
Sale of replaced assets		20,555	44,902
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(80,994)	(134,861)
Expenditure on new/upgraded assets		<u>(450,546)</u>	<u>(942,934)</u>
Net Cash provided by (or used in) Investing Activities		(510,985)	(1,032,893)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings		-	427,000
<u>Payments</u>			
Repayments of Borrowings		<u>(227,000)</u>	<u>-</u>
Net Cash provided by (or used in) Financing Activities		(227,000)	427,000
Net Increase (Decrease) in cash held		116,591	(754,520)
Cash & cash equivalents at beginning of period	10	<u>192,437</u>	<u>946,957</u>
Cash & cash equivalents at end of period	10	<u>309,028</u>	<u>192,437</u>

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 2015

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Adelaide Hills Council, Alexandrina Council, 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 judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar.

2 The Local Government Reporting Entity

Adelaide Hills Region Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the Local Government Act 1999 & Section 25 of the Local Government Implementation Act, 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.

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2015

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

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

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by 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.

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.

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2015

Note 1 - Significant Accounting Policies (cont)

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 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 the allowed alternative treatment in AASB 123 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

7 Payables**7.1 Goods & Services**

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

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 1 - Significant Accounting Policies (cont)

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 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.

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2015

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 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.

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 2 - INCOME

	Notes	2015 \$	2014 \$
USER CHARGES			
Waste disposal fee - Adelaide Hills Council		818,331	721,008
Waste disposal fee - Alexandrina Council		223,370	42,109
Waste disposal fee - District Council of Mt Barker		497,793	453,109
Waste disposal fee - Rural City of Murray Bridge		411,876	352,142
Waste disposal fee - Other Customers		1,202,625	694,220
		<u>3,153,995</u>	<u>2,262,588</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		1,196	3,242
		<u>1,196</u>	<u>3,242</u>
OTHER INCOME			
Consultancy service		38,128	84,069
Waste officer contribution		168,237	144,474
Waste Transfer Station Income		1,185,436	996,923
Waste Transfer Station Management		83,324	246,824
Transport Income		163,272	124,364
Fuel Tax Rebate		40,744	38,393
Machinery Charge Out		134,060	155,905
Recycled Income		12,975	3,878
Sundry		39,248	24,359
		<u>1,865,424</u>	<u>1,819,189</u>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 3 - EXPENSES

	Notes	2015 \$	2014 \$
EMPLOYEE COSTS			
Salaries and Wages		644,196	635,310
Employee leave expense		89,710	80,992
Superannuation		65,959	60,879
Workers' Compensation Insurance		18,523	19,133
Other		34,194	44,138
Total Operating Employee Costs		852,582	840,452
Total Number of Employees		10	10
<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		3,420	3,270
<u>Other Materials, Contracts & Expenses</u>			
Contractors		245,880	276,728
Waste Transfer Station Expenses		907,030	849,451
Repairs and Maintenance		254,819	213,781
Leachate Monitoring/Pumping		1,385	495
Research and Development		6,660	17,883
Administration and Accountancy Service		43,148	45,146
EPA Waste Levy		1,221,150	892,682
EPA Licence Fees		7,741	7,057
Royalty To Landowners/Lease		48,878	62,781
Insurance and Legal		154,213	118,952
Professional Services		362,466	325,173
Parts, accessories & consumables		152,133	161,840
Sundry		6,102	4,216
Subtotal - Other Materials, Contracts & Expenses		3,411,605	2,976,185
		3,415,025	2,979,455

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 3 - EXPENSES (cont)

	Notes	2015 \$	2014 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Road Infrastructure		5,534	5,178
Buildings		16,036	14,844
Vehicles		18,510	22,722
Plant & Equipment		273,535	305,623
Landfill Cells		270,694	159,941
Lechate Ponds		6,157	4,464
Landfill Rehabilitation		17,922	59,632
Landfill Cell Capping		96,356	80,333
		<u>704,744</u>	<u>652,737</u>
FINANCE COSTS			
Interest on overdraft and short-term drawdown		11,504	9,488
Interest on Loans		-	-
		<u>11,504</u>	<u>9,488</u>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2015	2014
Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	20,555	44,902
Less: Carrying amount of assets sold	<u>41,544</u>	<u>51,981</u>
Gain (Loss) on disposal	<u>(20,989)</u>	<u>(7,079)</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	<u>(20,989)</u>	<u>(7,079)</u>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 5 - CURRENT ASSETS

	2015	2014
	\$	\$
CASH & EQUIVALENT ASSETS		
Cash on Hand and at Bank	299,741	183,907
Deposits at Call	9,287	8,530
	<u>309,028</u>	<u>192,437</u>
 TRADE & OTHER RECEIVABLES		
Accrued Revenues	37,000	175,408
Debtors - general	440,982	425,235
Prepayments	-	29,174
	<u>477,982</u>	<u>629,817</u>
 INVENTORIES		
Stores & Materials	6,430	12,689
	<u>6,430</u>	<u>12,689</u>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2014				2015			
	\$				\$			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Road Infrastructure	-	138,352	(5,603)	132,749	-	138,352	(11,137)	127,215
Buildings	-	284,432	(36,721)	247,711	-	291,938	(52,757)	239,181
Vehicles	-	83,704	(29,693)	54,011	-	86,498	(17,559)	68,939
Plant & Equipment	-	2,213,398	(860,572)	1,352,826	-	2,482,326	(1,118,330)	1,363,996
Landfill Cells	-	1,024,547	(224,840)	799,707	-	1,104,236	(495,534)	608,702
Lechate Ponds	-	89,280	(4,464)	84,816	-	173,938	(10,621)	163,317
Landfill Rehabilitation	-	364,000	(65,840)	298,160	-	424,300	(83,762)	340,538
Landfill Cell Capping	-	503,000	(101,333)	401,667	-	390,400	(197,689)	192,711
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	-	4,700,713	(1,329,066)	3,371,647	-	5,091,988	(1,987,389)	3,104,599
Comparatives		3,384,700	(703,130)	2,681,570		4,700,713	(1,329,066)	3,371,647

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 2015

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (cont.)

	CARRYING AMOUNT MOVEMENTS DURING YEAR								2015
	2014 \$	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation	CARRYING AMOUNT \$
		New/Upgrade	Renewals						
Road Infrastructure	132,749	-	-	-	(5,534)	-	-	-	127,215
Buildings	247,711	7,506	-	-	(16,036)	-	-	-	239,181
Vehicles	54,011	10,265	35,608	(12,435)	(18,510)	-	-	-	68,939
Plant & Equipment	1,352,826	268,428	45,386	(29,109)	(273,535)	-	-	-	1,363,996
Landfill Cells	799,707	79,689	-	-	(270,694)	-	-	-	608,702
Lechate Ponds	84,816	84,658	-	-	(6,157)	-	-	-	163,317
Landfill Rehabilitation	298,160	-	60,300	-	(17,922)	-	-	-	340,538
Landfill Cell Capping	401,667	-	(112,600)	-	(96,356)	-	-	-	192,711
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	3,371,647	450,546	28,694	(41,544)	(704,744)	-	-	-	3,104,599
Comparatives	2,681,570	942,934	451,861	(51,981)	(652,737)	-	-	-	3,371,647

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 7 - LIABILITIES

		2015		2014	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		437,512		556,425	
Accrued expenses - other		313	-	4,614	-
Other		77,224	-	21,251	-
		<u>515,049</u>	<u>-</u>	<u>582,290</u>	<u>-</u>
BORROWINGS					
Loans		-	200,000	-	427,000
		<u>-</u>	<u>200,000</u>	<u>-</u>	<u>427,000</u>

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

PROVISIONS

Employee entitlements (including oncosts)	71,891	64,294	70,115	43,851
Future reinstatement / restoration, etc	-	814,700	-	867,000
	<u>71,891</u>	<u>878,994</u>	<u>70,115</u>	<u>910,851</u>

Movements in Provisions - 2015 year only (current & non-current)

	Future Reinstatement	Cell Capping
Opening Balance	364,000	503,000
Add Additional amounts recognised	60,300	(112,600)
Add (Less) Remeasurement Adjustments		
Closing Balance	<u>424,300</u>	<u>390,400</u>

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

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.

	2015	%	2014	%
Volumes of waste dumped (in tonnes)				
Adelaide Hills Council	9,763	36.3%	9,170	40.7%
Alexandrina Council	3,349	12.4%	678	3.0%
District Council of Mt Barker	7,470	27.8%	7,289	32.4%
Rural City of Murray Bridge	6,311	23.5%	5,392	23.9%
	<u>26,893</u>	<u>100%</u>	<u>22,529</u>	<u>100%</u>

Distribution in accordance with the above percentages

	2015	2014
	\$	\$
Adelaide Hills Council	5,725	(164,506)
Alexandrina Council	1,956	(12,126)
District Council of Mt Barker	4,384	(130,958)
Rural City of Murray Bridge	3,706	(96,602)
	<u>15,771</u>	<u>(404,192)</u>

DISTRIBUTION SHARE OF EQUITY

Adelaide Hills Council		
Balance at end of previous reporting period	831,389	1,052,901
Distribution	-	(57,006)
Share of surplus	5,725	(164,506)
Balance at end of period	<u>837,114</u>	<u>831,389</u>

Alexandrina Council		
Balance at end of previous reporting period	229,419	255,371
Distribution	-	(13,826)
Share of surplus	1,956	(12,126)
Balance at end of period	<u>231,375</u>	<u>229,419</u>

District Council of Mt Barker		
Balance at end of previous reporting period	771,871	954,507
Distribution	-	(51,678)
Share of surplus	4,384	(130,958)
Balance at end of period	<u>776,255</u>	<u>771,871</u>

Rural City of Murray Bridge		
Balance at end of previous reporting period	383,655	507,747
Distribution	-	(27,490)
Share of surplus	3,706	(96,602)
Balance at end of period	<u>387,361</u>	<u>383,655</u>

Distribution to Councils	-	-
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TOTAL EQUITY AT END OF REPORTING PERIOD	2,232,105	2,216,334
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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 2015**

Note 9 - ASSETS SUBJECT TO RESTRICTIONS

The Authority as at 30 June 2015 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 2015

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	2015 \$	2014 \$
Total cash & equivalent assets	5	<u>309,028</u>	<u>192,437</u>
Balances per Cash Flow Statement		<u>309,028</u>	<u>192,437</u>

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

Net Surplus (Deficit)	15,771	(404,192)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	707,675	652,737
Net increase (decrease) in unpaid employee benefits	22,219	24,212
Grants for capital acquisitions treated as Investing Activity	-	-
Net (Gain) Loss on Disposals	<u>20,989</u>	<u>7,079</u>
	<u>766,654</u>	<u>279,836</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	151,835	(331,318)
Net (increase) decrease in inventories	6,259	2,219
Net (increase) decrease in other current assets	-	-
Net increase (decrease) in trade & other payables	(67,241)	(99,364)
Net increase (decrease) in other provisions	-	-
Net Cash provided by (or used in) operations	<u>857,507</u>	<u>(148,627)</u>

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Estimated future reinstatement etc. costs	<u>6,300</u>	<u>317,000</u>
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(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 2015

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 2.35% (2014: 90 days, 2.50%).</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 4.7%.</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 2015

Note 11 - FINANCIAL INSTRUMENTS (cont.)

Liquidity Analysis

2015	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	309,028			309,028	309,028
Receivables	477,982	-	-	477,982	477,982
Total	787,010	-	-	787,010	787,010
Financial Liabilities					
Payables	514,736	-	-	514,736	514,736
Current Borrowings	-	200,000	-	200,000	200,000
Total	514,736	200,000	-	714,736	714,736

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
Non-Current Borrowings	-	427,000	-	427,000	427,000
Total	577,676	427,000	-	1,004,676	1,004,676

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

	30 June 2015		30 June 2014	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Overdraft	4.70	200,000	4.75	427,000
Non Interest Bearing	-	514,736	-	577,676
		714,736		1,004,676

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 2015

Note 12 - COMMITMENTS FOR EXPENDITURE

The Authority as at 30 June 2015 had no commitments for expenditure.

Note 13 - OPERATING LEASES

The Authority as at 30 June 2015 had no operating leases.

Note 14 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED

The Authority as at 30 June 2015 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 2015 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 2015

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

	2015 \$	2014 \$
Income	5,020,615	4,085,019
less Expenses	<u>4,983,855</u>	<u>4,482,132</u>
Operating Surplus / (Deficit)	36,760	(397,113)
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	80,994	134,861
less Depreciation, Amortisation and Impairment	704,744	652,737
less Proceeds from Sale of Replaced Assets	<u>20,555</u>	<u>44,902</u>
	(644,305)	(562,778)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	450,546	942,934
less Amounts received specifically for New and Upgraded Assets	-	-
less Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>-</u>	<u>-</u>
	450,546	942,934
Net Lending / (Borrowing) for Financial Year	<u>230,519</u>	<u>(777,269)</u>



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

Report on the Financial Report

We have audited the accompanying financial report of the Adelaide Hills Region Waste Management Authority which comprises the Statement of Financial Position as at 30 June 2015, Statement of Comprehensive Income, Statement of Changes in Equity, Cash Flow statement, a summary of the significant accounting policies, other explanatory notes and the Chief Executive Officer's Statement for the financial year ended on that date.

Chief Executive Officer's Responsibility for the Financial Report

The Chief Executive Officer of the Adelaide Hills Region Waste Management Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), *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 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 Adelaide Hills Region Waste Management Authority as of 30 June 2015, 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 7th day of September 2015,
at 214 Melbourne Street, North Adelaide, South Australia 5006.

Adelaide Hills Region Waste Management Authority

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2015

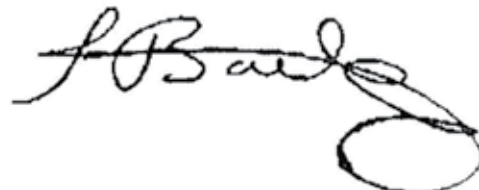
CERTIFICATION OF FINANCIAL STATEMENTS

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 2015 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 Ian Bailey
CHAIR PERSON

Date: 1/09/2015

**ADELAIDE HILLS REGION WASTE MANAGEMENT
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2015**

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 2015, 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: 14 July 2015

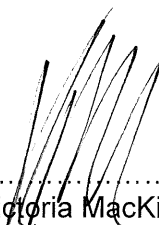
ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2015

CERTIFICATION OF AUDITOR INDEPENDENCE

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


.....
Victoria MacKirdy
ACTING CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date:

13 / 07 / 2015

**ADELAIDE HILLS REGION WASTE MANAGEMENT
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2015**

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 2015, 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: 20/7/15

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2015

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 2015, 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*.


.....
Michael Sedgman
CHIEF EXECUTIVE OFFICER
Rural City of Murray Bridge

Date: 01.09.2015

**ADELAIDE HILLS REGION WASTE MANAGEMENT
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2015**


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 2015, 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*.



Michael Lorenz
CHIEF EXECUTIVE



Peter Brass
**CHAIR
AUDIT COMMITTEE**

Date: 2/9/15

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 2015, 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 25th day of August 2015



MOUNT BARKER
DISTRICT COUNCIL