



Annual Report

2011-2012

Questions?

Members of the community who have questions regarding the Annual Report, or who seek further information regarding the finances of Council, are encouraged to contact the General Manager, Corporate and Community Services at the Principal Office during business hours, via the website, or via email.

Principal Office:

2a Wasleys Road
Mallala SA 5502

Telephone:

08 8527 0200

Website:

www.mallala.sa.gov.au

Email:

info@mallala.sa.gov.au

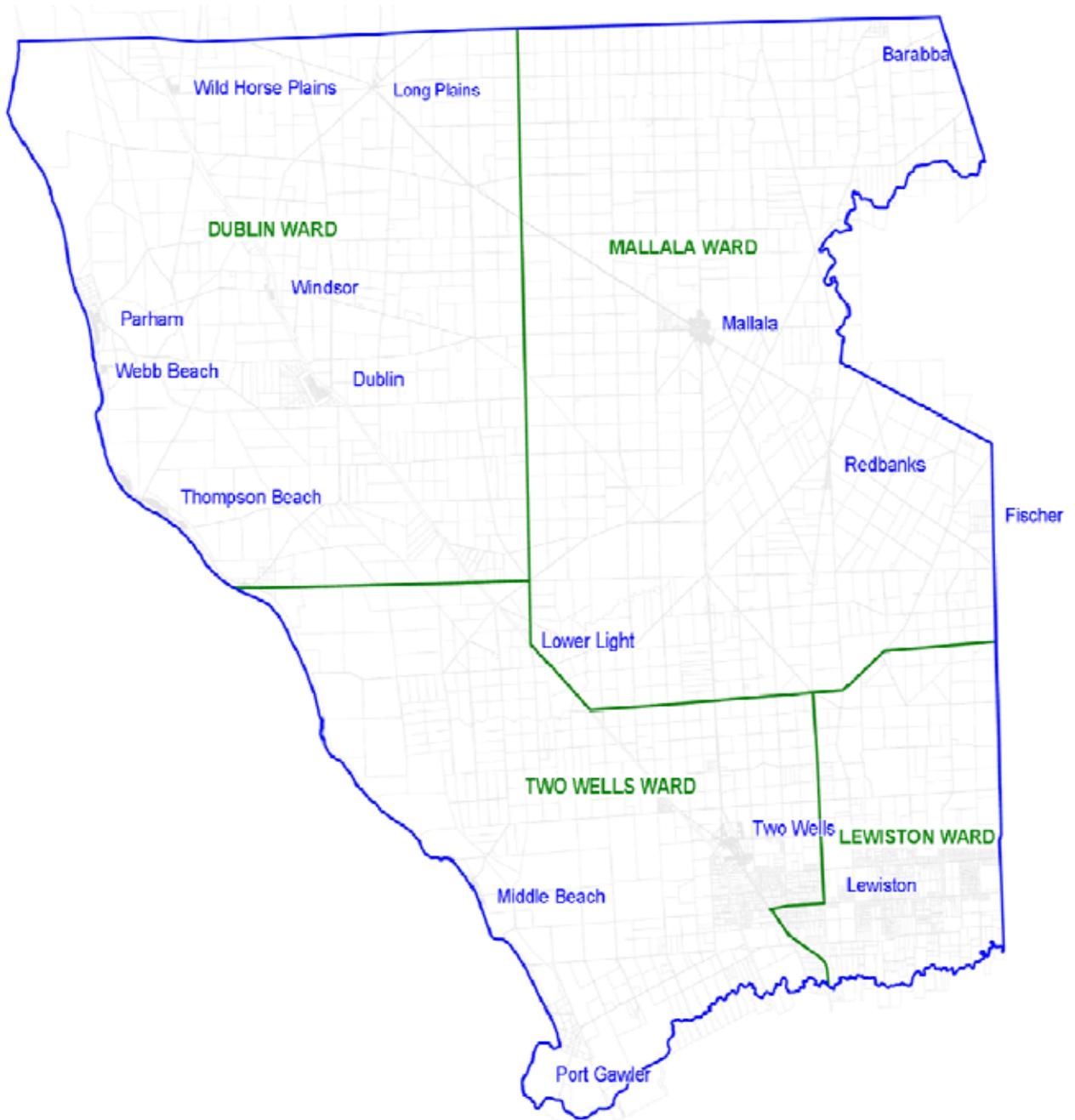
Front Cover:

Display by local artists at the
Two Wells Community Library
during the SALA Festival

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District Map - Ward Boundaries



Council Synopsis

Area of Council: 926.7sq km
Number of Rateable Assessments: 4,437
Number of Electors: 5,572
Total Population: 8,365

Council Principal Office

2a Wasleys Road, Mallala SA 5502
 Office Hours: 9am to 5pm Monday to Friday (excl Public Holidays)
 Telephone: 8527 0200
 Fax: 8527 2242
 Postal Address: PO Box 18, Mallala SA 5502
 Email Address: info@mallala.sa.gov.au
 Website Address: www.mallala.sa.gov.au

Two Wells Service Centre

69 Old Port Wakefield Road, Two Wells SA 5501
 Office Hours: Monday to Friday – 9am to 5pm - Excluding Public Holidays
 Telephone: 8520 3360
 Fax: 8520 2375

Vision, Mission and Values

Vision

A progressive, growing community enjoying a quality lifestyle in a sustainable, rural and coastal environment

Mission

Provide a safe, healthy and sustainable environment for our growing community, business and visitors, by providing quality services, infrastructure and facilities

Core Values

The values or behaviours that Council embraces to support our Mission and guide us in achieving the Vision are:

- **Leadership and Diplomacy**
 - by acting strategically and effectively managing our relationships
- **Teamwork**
 - through unity, co-operation and support
- **Professionalism**
 - through commitment, quality and timeliness of work delivered
- **Honesty and Integrity**
 - building trust and loyalty with the community and within Council
- **Respect**
 - for others, acting with humility and empathy
- **Innovative and Open-Minded**
 - being proactive in continually improving our services

Executive Summary

The District is made up of approximately 926km² covering an area that is predominately rural with a large tidal coastal region facing the Gulf of St Vincent. The District borders the City of Playford in the South, Wakefield Regional Council in the North and the Light Regional Council to the East.

The main townships within the District are Two Wells, Mallala and Dublin with coastal settlements at Middle Beach, Thompson Beach and Parham. Within these coastal settlements you will find pristine, sensitive tidal flats famous for its blue crabs and a place to find some interesting and unique vehicles called 'jinkers' that locals use to get their boats out to the deeper water. In land you will find some beautiful natural assets like our Rockies Reserve which is a permanent water source forming part of the Light River and is a great place to visit and enjoy the natural setting.

The District also encompasses Lewiston which is one of the major population areas. Within Lewiston you will find the Rural Living (Animal Husbandry Zone) where residents are able to participate in the breeding of animals, with a particular focus on dogs and horses.

The District now has approximately 8,500 residents, with major growth predicted in the next 5 to 20 years and in line with the Greater Adelaide 30 year plan.

The District is home to some key industries, including the successful D'Vine Ripe tomatoes producer at Two Wells and engineering firm Sharman's, which provides silos to many of the State's farming entities. The area is also home to a number of agricultural pursuits such as wheat, barley, canola, lucerne and hay production.

As a floodplain, the District is dissected by the Light and Gawler Rivers. A look at our logo shows the two rivers in blue amongst the green and yellow reflecting the rural landscape.

The District is only a short 50 minute trip from the Adelaide CBD which brings with it enormous potential for growth. This potential has been identified in the State's 30 year Plan for Greater Adelaide with the challenge for the Council and the community to manage this growth in a sustainable manner, whilst protecting the rural character of the District.

The Year in Review

The Council continues to strive to improve its overall performance within a challenging environment, which is also rewarding to the community when delivered successfully and sustainably. The challenges are predominately brought about with a predicted high level of growth that brings with it a high level of expectations.

In the review and development of its 2011/12 program Council faced a number of competing priorities. Through a robust process engaging community members Council approved a budget of \$8.8 million in operating expenditure and a capital budget of \$4.2million

The Council also embarked on a review of its organisational structure that saw its senior management level streamlined from four (4) managers to two (2) general managers reporting to the Chief Executive Officer. The restructure focused on aligning functions, responsibility and accountability to the Strategic Plan Framework of Community Development, Economic Development, Natural & Built Environment and Governance and Organisation.

Further Council also reviewed its decision making framework to align with its Strategic Plan. As part of this process a review of Section 41 committees was completed. This resulted in the streamlining of Section 41 committees to ensure the focus is on delivering the overall Council vision to be—

'A progressive growing community enjoying a quality lifestyle in a sustainable rural and coastal environment'

Council continues to support existing committees establish themselves as Incorporated organisations to continue delivering the excellent work they do for their respective communities. Council also created four (4) new committees that covered the Strategic Plan Framework. These committees are predominately made up of community members that will bring their expertise and views on how Council can deliver on its Vision, Goals and Objectives.

Overall the restructure of the organisation and its new decision making structure will ensure the Council can deliver improved services to its community.

During 2011/12 Council also embarked on a number of key projects summarized below:

Community Development

Completed construction of the Lewiston Playground

Continued detailed investigations and discussions on infrastructure requirements associated with the Two Wells Development

Actively participated and coordinated youth, volunteer and art programs and events.

Economic Development

Continued to work with relevant stakeholders to promote the area as a key horticultural destination and the requirement for more enhanced infrastructure to support existing and potential business activities

Established the Economic Development Advisory Committee focussed on enhancing economic growth within the District

Commenced the Strategic Directions Report which will identify and prioritise appropriate initiatives to enhance economic growth.

Natural and Built Environment

Finalised draft plans for the Mallala Community Waste-Water Management System (CWMS) in preparation for community consultation

Delivered Council's sealing and road maintenance program

Finalised the Coastal Access Strategy and commenced its implementation

Undertook extensive flood modelling of the Light River allowing sound decision making in regard to development in affected areas

Increased investment in Council owned and controlled community buildings.

Governance and Organisation

Progressed development of the Mallala Depot Redevelopment

Continued enhancing Record Management practices

Reviewed and delivered the new organisational structure, enhancing service delivery

Identified 'in principle' support to investigate the future administration strategy for Council's Principal Office.

Elected Members



Mayor

Cr Marcus Strudwicke
4 Dublin Road
Mallala SA 5502
mstrudwicke@dcmallala.sa.gov.au

Deputy Mayor

Cr Duncan Kennington
290 Hayman Road
Lewiston SA 5501
dkennington@dcmallala.sa.gov.au

Dublin Ward

Cr Steve Jones
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Cr Terry-Anne Keen
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Mallala Ward

Cr Yvonne Howard
3 Irish Street
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yhoward@dcmallala.sa.gov.au

Cr Marcus Strudwicke
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Lewiston Ward

Cr Duncan Kennington
290 Hayman Road
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Cr Karen McColl
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Cr Anne Picard
Po Box 581
Virginia SA 5120
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Cr Tom Summerton
1 Aunger Road
Lewiston SA 5501
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Two Wells Ward

Cr Joe Daniele
8 Old Port Wakefield Road
Two Wells SA 5501
jdaniele@dcmallala.sa.gov.au

Cr Jan Heley
PO Box 779
Two Wells SA 5501
jheley@dcmallala.sa.gov.au

Cr Mark Wasley
Lot 414 Gordon Road
Two Wells SA 5501
mwasley@dcmallala.sa.gov.au

Elected Members Meeting Attendance

Elected Member	Ordinary Meeting	Special Meeting	Strategic Infrastructure & Planning	Strategic Community & Governance	Total
Cr Daniele	12	5	11	10	38/38
Cr Heley	12	5	9	9	35/38
Cr Howard	11	5	10	10	36/38
Cr Jones	11	4	8	5	28/38
Cr Keen	09	4	6	4	23/38
Cr Kennington	11	3	6	6	26/38
Cr McColl	12	2	7	7	28/38
Cr Picard	11	4	7	6	28/38
Cr Strudwicke	11	5	11	10	37/38
Cr Summerton	11	5	11	9	36/38
Cr Wasley	12	5	11	7	35/38

Training and Development Activities

During the 2011-2012 period Council undertook a range of legislative and procedural training, this included a continuation of Council's partnership with the Light Regional Council and Norman Waterhouse Lawyers to provide specific training in respect to Elected Members, their roles and the legislative requirements of Council.

Members undertook training and development in areas such as, but not limited to:

- Codes, Policies, Procedures and Reports,
- Asset and Land Management,
- Financial Management & Responsibilities,
- Meeting Procedures,
- Meeting Procedures / Chairing (LGA),
- Public Health Act (Wallmans Lawyers),
- Managing Conflict (LGA), and
- Council Members – Strategic Issues (LGA)

Induction and training is now an integral part of Elected Members development, ensuring they have the tools to adequately perform their roles.

Elected Members also participated in an organisation wide Cultural Review which was conducted by external organisation, mjrecruit. This involved Elected Members being involved in a series of interviews and workshops focusing on the core values and ethics of Council and, in particular, their interaction with each other and employees. Recommendations and associated actions were still being reviewed and implemented at the conclusion of the 2011-2012 period.

Elected Members Expenses and Allowances

Re-imbursement of Expenses, Facilities and Support

The District Council of Mallala ensures that the reimbursement of expenses and the provision of allowances, facilities and support to the Elected Members is accountable, transparent and in accordance with the Local Government Act 1999 and associated regulations.

Allowances

Section 76 of the Local Government Act 1999 and Regulation 4 prescribe that all Elected Members are entitled to receive an allowance. The Council, within the limits imposed by the Regulations, provides this allowance annually. The allowance is to help Elected Members cover the cost of performing and discharging their official functions and duties.

Position	Allowance July 2010 to June 2011	Allowance July 2011 to June 2012
Mayor	\$ 27,00.00	\$ 3,605.00
Deputy Mayor	9,375.00	\$10,001.75
Elected members	\$6,250.00	\$ 8,401.25

Payments made to Councillors

Total payments made to Councillors for the period 1 July 2011 to 30 June 2012 are as follows:

Cr S M Strudwicke

Allowance	\$33,605.00
Travel Reimbursement	Nil Claimed
<i>Total payments for 2011-12</i>	<u><i>\$33,605.00</i></u>

Cr Y L Howard

Allowance	\$10,501.75
Travel Reimbursement	Nil Claimed
<i>Total payments for 2011-12</i>	<u><i>\$10,501.00</i></u>

Cr T A Keen

Allowance	\$8,401.25
Travel Reimbursement	Nil Claimed
<i>Total payments for 2011-12</i>	<u><i>\$8,401.25</i></u>

Cr S E Jones

Allowance	\$8,401.25
Travel Reimbursement	\$1,230.25
<i>Total payments for 2011-12</i>	<u><i>\$9,632.00</i></u>

Cr A Picard

Allowance	\$8,401.25
Travel Reimbursement	\$1,844.27
<i>Total payments for 2011-12</i>	<u><i>\$10,245.52</i></u>

Cr B J Summerton

Allowance	\$6,500.00
Travel Reimbursement	\$1,212.00
<i>Total payments for 2011-12</i>	<u><i>\$7,712.00</i></u>

Elected Members

Cr J Daniele

Allowance	\$8,401.25
Travel Reimbursement	\$815.48
<i>Total payments for 2011-12</i>	<u><i>\$9,216.73</i></u>

Cr J M Heley

Allowance	\$8,401.25
Travel Reimbursement	\$1,197.00
<i>Total payments for 2011-12</i>	<u><i>\$9,598.25</i></u>

Cr M N Wasley

Allowance	\$8,901.25
Travel Reimbursement	\$105.00
<i>Total payments for 2011-12</i>	<u><i>\$9,006.25</i></u>

Cr D Kennington

Allowance	\$10,001.75
Travel Reimbursement	\$1,913.30
<i>Total payments for 2011-12</i>	<u><i>\$11,915.05</i></u>

Cr K M McColl

Allowance	\$8,401.25
Travel Reimbursement	\$2,227.06
<i>Total payments for 2011-12</i>	<u><i>\$10,628.31</i></u>

Total payments to Councillors for 2011-2012:

\$130,461.36

Senior Management



Chief Executive Officer

Charles Mansueto

Salary: \$ 154,630 (Contract)

9% Superannuation

Fully maintained and Use of Motor Vehicle, Mobile Phone & i-pad



General Manager, Corporate & Community Services

Peter Sellar

Salary: \$ 119,600 (Contract)

9% Superannuation

Fully maintained and Use of Motor Vehicle, Mobile Phone & i-pad



General Manager, Infrastructure & Planning Services

Gary Mavrinac

Salary: \$ 125,000 (Contract)

Commenced: 16th April 2012

9% Superannuation

Fully maintained and Use of Motor Vehicle, Mobile Phone & i-pad

NB: Henri Mueller, Manager, Environment and Development Services (Contract Salary - \$ 96,430), resigned on 15 July 2011 and Harry Pitrans was employed as General Manager, Infrastructure and Planning Services (Contract Salary - \$ 120,000) until 13 April 2012.

Community Development

KEY COMMUNITY SERVICES

- ◇ Communication and Marketing
- ◇ Community and Sporting Groups
- ◇ Community Engagement and Education
- ◇ Community Development
- ◇ Information and Support
- ◇ Museum and History
- ◇ Funding
- ◇ Library Services
- ◇ Volunteer Services

CELEBRATIONS AND EVENTS

Australia Day Celebrations

A successful event was held at the Dublin oval with more than 150 in attendance. Awards were presented to the Citizen of the Year – Mollie Frost; and Community Event of the Year – Dublin History Group, whose book launch – ‘Memories of School’ was well received by current and past residents of the district.

Two new awards were introduced - Community Group of the Year and Community Project of the year. The inaugural winner of the Community Group of the Year was the Two Wells Tennis Club for their work in reviving tennis in the town, upgrading equipment and repaying an outstanding loan to Council.

Citizenship

Council held several successful Citizenship Ceremonies with 13 residents taking the opportunity to become Citizens of Australia. Six of these were naturalised at the Australia Day Event.

The Citizen of the Year forms were upgraded, making them uniform across the state and enabling on-line completion of forms.

Anzac Day and Remembrance Day

Council participated in both Anzac Day and Remembrance Day, providing wreaths for services at both Two Wells and Mallala. The Mayor, Deputy Mayor and CEO all attending events held in the district.



Mollie Frost accepting her award from Council Mayor, Marcus Strudwicke





Fun in the Sun

Natural Resources Management Staff, supported by Community Services staff held a well supported 'fun in the sun' children's event on Australia Day at Pt Parham. Children were informed about coastal marine life and the importance of preserving the environment to ensure future generations would continue to enjoy the coast and its species.

Town Christmas Parades

Council had a presence at both the Two Wells and Mallala Christmas parades, hosting information stalls with staff on hand to answer questions about Council and to provide information.

Regional and Local Community Infrastructure Projects – RLCIP—Official Opening

Official opening events were held for the Dublin and Lewiston Playgrounds and the Two Wells Institute. Nick Champion attended the Dublin and Lewiston Playgrounds giving a short speech at both. A representative for Nick attended the library opening, highlighting the benefits to the community and the continued use of this historical building.

The first female president of the Two Wells Institute Committee (1977), Mrs Pat Seccafien, attended, along with several life members of that Committee. The improvements to the building and in particular, the upgrade to the stage area was well received.



Volunteer Recognition Event

A 'thank you' event was held for volunteers of all Section 41 community committees which have now closed. Around 60 volunteers attended a supper held at the Pt Parham Sports & Social club, where they each received a native seedling from Council in recognition of their services to Council's Section 41 Committees.

SALA Festival 2011

Participation in the SALA Festival saw many local artists displaying their talent with the 'First Glimpse' exhibition held in the Two Wells Public Library, Mallala Library, Two Wells Service Centre and Mallala Council reception office.

Thirteen local artists displayed in excess of 24 pieces of art at the exhibition, which was well received by the public and artists alike.



Bloomsday Event

Council supported the Dublin History Group to bring a 'Bloomsday' Event to Dublin, by linking the event with South Australian Tourism Commission through Yorke Peninsula Tourism. The event was placed on You-Tube, providing exposure for the district.

Emu Awards

In collaboration with Wakefield Regional Council, the District Council of Mallala once again supported the Adelaide Plains 'Emu Awards' with a breakfast held at Balaklava Golf Club. Award patron, Peter Goers, provided an entertaining speech, with awards presented to category winners for Individual, Community Group, Business and Event. This year's major winner was Michelle Dohnt from Snowtown for her work with the Snowtown community.

Clean Up Australia Day

Support provided to community groups and organisations participating in 'Clean Up' Australia Day.

Volunteer Week 2012

The District Council of Mallala was proud to be able to show its appreciation to the Volunteers in our area, who make it such a great place to live – by providing a free movie day at Gawler Cinema on Monday 14 May 2012. Approximately 60 volunteers were treated to morning tea, an educational talk and a light lunch as part of the day.

Feedback from volunteers attending the day was extremely positive and volunteers unable to attend were equally vocal in their appreciation of Council's recognition of their contribution to the Community.

GRANT FUNDING

Information on funding opportunities available through State and Federal Government grants was provided to local community groups with staff assisting community groups in their applications for funding. Funding applications to sources outside of Council has increased, with many successful outcomes. This has reduced the reliance on Council for financial support, as well as empowering local community groups to upgrade their resources.

Regional and Local Community Infrastructure Projects (RLCIP)

Council received Federal funding through the Regional and Local Community Infrastructure Funding Program (RLCIP) Round 3 with \$21,000 for Dublin playground and \$58,000 funding towards the Two Wells Library structural upgrade. Council applied for and received a further \$10,000 funding from the State Government Heritage Fund towards the upgrade.

Reporting obligations for RLCIP Round 3—*Funding and Heritage SA* were met.

Photographic Competition

In early 2012, to celebrate the National Year of Reading, the District Council of Mallala Library and Community Services combined to hold a photography competition for local amateur photographers. With the themes of 'Caught in the Act of Reading' and 'Essentially Adelaide Plains – 14 photographers entered 21 photos for judgement.

Prizes were awarded for 1st, 2nd and 3rd place in the open category for over 18 year olds, a 12-18 year old category, under 12 year old category and a People's Choice category. Winners were awarded their prizes by Mayor Strudwicke at a Morning Tea celebration held at the Two Wells Public Library.

The winning photo in the Photographic Competition – "Kelpies – Aussie Workaholics" by Pat Wake.

Section 41 Committees

2011 saw the end of the Community Partnerships Committee and the Community Development Board and 2012 saw the commencement of the Community Development & Advisory Committee. The committee continues to oversee the Community Bus, Community Directory, and Community Partnerships Fund and intends to support the profile of the community.

The Community Partnerships Fund received an overhaul with new guidelines and application forms developed, enabling on-line completion of application forms. Individual Sports & Cultural Funding was expended in record time, with all funding allocated within 1 month of funding opening. The committee resolved to provide further funding after the Community Partnerships Funds had been allocated, on the provision there were sufficient funds to support this.

The Mallala & Districts Homes Committee developed a MOU between District Council of Mallala and Barossa & Districts Housing Association (BDHA) for Unit 2/7 Chivell Street, Mallala. BDHA will manage the unit, with DCM retaining ownership of the property. A staff member from DCM holds a current position on the Board of BDHA.

Administration support is provided to Section 41 committees.

Training

Council Staff have attended various training forums and workshops relevant to furthering the professionalism of Council Volunteer Management.

This includes training in such areas as the proposed new OHS&W laws and their effect on volunteers; and the Volunteer Squared Database.

Community Transport

In addition to the Community Monthly Shopping Bus, Council contributes funding to the Mid North Community Passenger Transport Network who provides medical transport services for the residents of Council.

Staff

Angela Nicklin commenced in January 2012 for a 12 month period whilst an existing staff member takes maternity leave.

Tourism

The District Council of Mallala continues to support tourism through the retention of the Visitor Information outlet based at the Two Wells Service Centre. Statistics are kept of visitors to the area to enable staff to provide feedback to the South Australian Tourism Committee.

The District Council of Mallala is situated in the Clare Valley Tourism Region and is also aligned with Yorke Regional Tourism (from Highway1 - west to the coast) and is currently investigating tourism opportunities in collaboration with RDA Barossa.



Two Wells Service Centre

Library Services

The District Council of Mallala's Library Service has continued to be well patronised. The Council maintains three (3) service branches; the main library site is located at Two Wells (open 5 days a week for 28.5 hours), a smaller branch is based in the Mallala Council building (open 2 half days per week for 4 hours) and there is an outlet at the Windsor Institute (open every Sunday morning for one and half hours).

There are just over 1,600 registered library patrons and almost 90% of our borrowers reside in the Council area. Council employs 2.3 library staff, as well as sharing casual library officers with the Town of Gawler to cover staff absences. Library volunteers play a significant role in supporting staff – the Windsor branch is opened every Sunday morning by a dedicated local resident and the Two Wells Library is regularly assisted by volunteers.

The Libraries currently stock a combined total of 18,320 items which includes 11,246 adult resources, 5,945 children's materials and 1,129 'other' items which are predominantly magazines. Library staff select stock throughout the year to cater for the community's diverse recreational and educational needs.

During the 2011/2012 financial year 22,109 items were loaned to library patrons. Library staff also accessed the resources of the State's Public Library Network and 670 items from other public libraries were made available to our borrowers.

Library patrons who have Internet access at home are able to view the Mallala Library catalogue at <http://mallala.spydus.com>. Demand for access to the Library's Internet and word processing remains very high on the personal computers available – three at the Two Wells Library and one at the Mallala Library. Access to Wireless Internet at the Library also continues to be in high demand.



Mallala Library



New circulation desk installed at Two Wells Library

Two Wells Library Renovations

Mallala Council was fortunate to receive a \$58,000 Federal Government Grant from the Regional and Local Community Infrastructure Program as well as \$10,000 from the State Government's Department for Environment and Heritage to renovate the State Heritage listed Library building.

The scope of the works included a salt damp course and repairs from previous salt damp course works, the repair and repainting of both internal and external cracks, repairing the rear wall, the complete upgrade of the stage area including sand back the floorboards, the removal of bricked up windows which were replaced with new windows and repainting chimneys. Council's Paul Cleghorn, Strategic Infrastructure Coordinator was the project manager. Whilst this project was undertaken, the Library was temporarily housed at the Old Two Wells Council Chamber.

The Two Wells Public Library was officially reopened on Monday, January 30 2012. Nick Champion MP, Federal Member for Wakefield, was scheduled to open the Library but, as he was unable to attend at the last minute, one of his staff representatives officiated in his absence.

Representing Leesa Vlahos MP, State Member for Taylor, was Julie Woodman. Past Institute Committee members, Council representatives and dignitaries as well as officials from Heritage Conservation and the Department for Environment and Heritage were present at the opening ceremony.

Events and Programs

The Mallala Library service continued to conduct various programs throughout the year which included:

Storytelling/ library tours for local schools and preschool centres.

The Premier's Reading Challenge – which is a State wide challenge for students from Reception Class to Year 9 to read 12 books annually. Students receive an incentive medal each year for completing the challenge and this program, which was introduced in 2004, continues to be very popular.

Tax Help@ the Library – this is a free service run by the Australian Tax and is open to individual taxpayers who need assistance to lodge a tax return or form.

Caroline Overington (pictured at right) Literary event – in late October 2011 the Two Wells Public Library hosted the Australian author, who was promoting her latest novel 'Matilda is Missing'.

Salvation Army Christmas Appeal @ Your Library – Library and Council staff continued to support the Salvation Army Christmas Appeal in December with the donation of non perishable food items and gifts.

Summer Reading Program entitled 'The Amazing Race'. On February 14 2012 Mayor Marcus Strudwicke presented 24 participants with certificates and a book in recognition of their reading efforts at an afternoon tea ceremony in the Two Wells Library. Twenty seven children entered the competition this year and over the summer school holidays over 280 books were read between all the children.

The 'National Year of Reading 2012' aims for all Australians to understand the benefits of reading as a life long skill, as well as promoting a 'reading culture' in every home and to encourage families to share books with their children.

SA History Week celebrations – local history buffs enjoyed viewing some of the highlights of the Mallala area including the D'Vineripe factory, Lewiston, the Two Wells Sports Club and Middle Beach on Wednesday, 16 May 2012.

Local Two Wells resident, Peter Belcher, launched his debut novel entitled 'A Peasant's Journey' at the Two Wells RSL on Thursday, 31 May 2012.

Staff

In May 2012 Anne Sawtell was appointed Library Services Co-ordinator, replacing Kimberley Hargrave who resigned in March 2012.

During the twelve months to June 2012, Library staff attended various training forums and workshops to extend their professional development, including 'Child Safe Environments – Reporting Child Abuse and Neglect'.



Before and after photos of the Two Wells Library renovations



Natural and Built Environment

Key Infrastructure & Planning Services

- ◇ Animal Management & Dog Control
- ◇ Buildings & Facilities Management
- ◇ Public Health & Food Administration
- ◇ Planning & Building Compliance
- ◇ Community Infrastructure
- ◇ Environmental Management
- ◇ Asset Management
- ◇ Engineering Services
- ◇ General Inspections
- ◇ Horticulture Services
- ◇ Open Space Planning
- ◇ Development Assessment
- ◇ Depot Operations
- ◇ Fire Prevention
- ◇ Roads Services
- ◇ Land Use Planning
- ◇ Waste Management

Asset Management

Rural Addressing Rollout



Mallala District Council has supported the rural addressing system and has now completed the installation of over 850 posts for every rural occupied home and businesses identified at a cost of \$28,000. The general purpose for the implementation of the numbering system is a joint State and Local Government initiative aimed to provide all occupied rural properties in South Australia - home and business - with a nationally consistent numbered address.

Many properties are currently located on un-named roads, requiring the property owner to rely on local

knowledge and reference points among emergency services personnel (and service providers like vets and livestock officers) friends and family to find their property. Descriptions of property location are often confusing, leading to time loss and frustration.

The aim of rural property addressing is to stop confusion and ambiguity. This initiative provides a distance-based road number (based on the national standard) for the road access point to occupied properties to assist emergency services and other service providers to find homes and businesses in regional South Australia with certainty, quickly and easily.

A rural property address consists of the distance based road number, road name, locality and postcode.

Letters were sent to effected properties with instructions on how the new system affects property and the opportunity to inform council of any queries regarding the new numbering system. For further information regarding Rural Addressing there is a link on Council's website: www.mallala.sa.gov.au

Facilities Asbestos Removal Program

District Council of Mallala has carried out asbestos removal and replacement to buildings across the district. This is part of a continuing program to remove and replace all asbestos materials from council owned buildings including public amenities. The cost incurred for the removal and replacements was \$30,000.

The buildings and public amenities projects included in 2011-2012:

Mallala Institute – ceiling and other wall panels

Mallala CWA - ceiling

Parham Amenities – roof structure total replacement with colour bond roofing

Middle Beach Amenities – roof structure total replacement with *Colorbond* roofing

Webb Beach – roof structure total replacement with *Colorbond* roofing.



Asbestos Removal

Two Wells Library – Renovations

The Two Wells Library reopened its doors in October 2011 after undergoing extensive restoration and maintenance work, thanks to successful applications by Council for grant funding from both the Federal and State Governments. Council received \$58,000 from the Regional and Local Community Infrastructure Program, \$10,000 from the South Australian Heritage Fund, with additional funds allocated from Council in the 2011/12 budget.



During the restoration period, the library relocated next door to the old Port Gawler Council Chambers, operating a modified service to patrons.

Constructed in 1877, the Institute was described as a 'substantial and imposing building constructed of limestone with brick facings and which could comfortably seat 500 persons. At either side of the entrance doors are two lofty rooms, with the intention to use one of these rooms as a library'.* The building was confirmed as a 'State Heritage Place' in August 1993 and, after closing as a public institute in 1984, was managed by a

small community group until Council regained management in 2006. The building was refurbished and reopened in February 2007 as a public library.

A report on the building in 2010 found that although the building was considered to be structurally sound there was cracking to external walls, particularly around windows with major cracking present internally at the rear of the building. Walls had moved and stairs at the rear were badly deteriorated as a result of stormwater management. Funding was used to repair and repaint interior cracking, repaint external window frames, repair salt damp including previous treatment holes, repair and replace damaged and missing cornice and skirtings, remove and replace damaged external bricks, remove and replace old render and external vents and reappoint the stonework. Stairs at the rear of the building have been restored, and the single rear window has been duplicated and restored to its near former glory.



Photos Above and Left: Two Wells Library (front and rear)

Community FloodSafe Program

Community FloodSafe is modelled on the successful NSW SES program of the same name and is a partnership between local councils and State and Federal Governments. Flood mapping has highlighted the flood-prone areas and each council has nominated the key areas for FloodSafe to target. By working with local communities, the SES volunteers will become more familiar with local flood-prone areas and the residents who may need help in storms or floods.

It began in SA with a pilot program in early 2009 focusing on the southern metropolitan councils. In 2009-10 the program is being expanded to northern metropolitan council areas and close rural areas. The Bureau of Meteorology (BOM) and the Department for Water are also partners in the SA program alongside SES and the Councils of the southern and northern metropolitan area.

The FloodSafe program is funded by the Department for Water, the Adelaide and Mount Lofty Ranges Natural Resource Management Board, and local funding from councils including Adelaide, Mitcham, Marion, Unley, Holdfast Bay and West Torrens. The key creek systems in the first year of the program include Brown Hill, Keswick, Sturt, Chamber, Minno and the Patawalunga.

From 2009-10 northern waterways including Dry Creek, Gawler, Light, Little Para, North and South Para, Torrens and the Port Adelaide waterways will be added.

The first northern councils to join in 2009-2010 were Barossa Council, the City of Port Adelaide Enfield and the District Council of Mallala. Port Adelaide Enfield and Mallala have significant tidal inundation and storm surge issues along their coast and this broadens the flood risk issues of FloodSafe. Adelaide Hills, Onkaparinga and the Clare and Gilbert Valley Councils joined the program in 2011-2012,

The FloodSafe program uses existing State Emergency Service volunteers, as well as new community volunteers with good presentation skills, to reach into communities to raise awareness in flood-prone areas. Initiatives include articles in Council newsletters, street corner meetings, community group meetings, internet sites, brochures and school education. The focus will be risk, consequences and self-help.

The volunteers talk to community groups, local residents, businesses and schools about what they can do reduce the risk of flood damage and improve the resilience of their community if a flood should occur.

The FloodSafe volunteers will address communities on:

- ◆ local risks
- ◆ historic flooding in the area
- ◆ having a flood plan to reduce the risk to business equipment, stock and staff
- ◆ protecting your family and property
- ◆ understanding BOM Flood Watch and Flood warnings
- ◆ having a home emergency kit
- ◆ how to call for SES response.

Community volunteers are being sought to join the FloodSafe program. People with good presentation or teaching skills can be part of the teams going into local communities with the FloodSafe message. Fifty SES Volunteers from units across the state trained and are preparing a busy schedule of events each month in the funding council areas.

SES Volunteers handed out many flood packs and discussed valuable information to the community in various locations during the year Parham, Webb Beach, Middle Beach and attended the local football at Mallala and Two Wells. There was a very positive response from many community members on how they could better protect their properties in such an event of inundation. District Council of Mallala provide \$5,000 to support the Floodsafe Program to continue the education and advise to the community's.

Depot Operations

The Depot Operations provide construction, maintenance and management of the following key services.

- ◆ transport facilities (roads, bridges, storm water systems, and footpaths)
- ◆ quarry operations
- ◆ parks, ovals, gardens, reserves, street scapes and roadside vegetation
- ◆ flood mitigating. (coastal and flood plain locations)
- ◆ cemetery operations
- ◆ waste Collection / transfer stations / roadside dumping
- ◆ public conveniences
- ◆ engineering assessment of development applications
- ◆ plant and depot operation.
- ◆ These services are provided by the following work groups:
 - ◆ Construction/Maintenance (Senior Civil Officer with 9.5 Operators / Drivers / Construction workers).
 - ◆ Waste Services (Senior waste Officer and 2.5 drivers/waste officers)
 - ◆ Horticulture Services – (Senior Horticulture Officer + 4 Horticulturists)
 - ◆ Workshop/General Maintenance - (Senior Workshop Officer + 1 general maintenance worker).

As part of Council's plant replacement program, the following major equipment was purchased during 2011/12:

- 12M Caterpillar grader (replaces 140H construction grader)
- 644K John Deere loader (replaced 950G loader)
- plant trailer (replaced failed bobcat plant trailer)
- tray mounted spray unit (replaced old tray mount unit)
- 4 x 4 tray top utility (spray unit)

Mallala Oval Practice Cricket Netting Renewal

Following the Club's upgrade of the pitches, the District Council of Mallala undertook the replacement of the netting around the practice nets to replace the old damaged netting.

Upgrading of the nets has provided a facility available for use by the community, visitors and all cricket club members for many years to come. should note that the club upgraded the pitches.

The total costs for this project \$7,135.00.



Mallala Oval Cricket Nets



Williams Road re-alignment



Dawkins Road-Shoulder Widening and Reseal



Gawler Road-Rail Pedestrian Crossing

Major Projects

Major projects included:

- ◆ construction and sealing
 - 1km Bailey Road West Two Wells (Highway to Buckland Park Road)
 - 750 metres of the Garden Avenue Two Wells (Bailey Rd. East to end)
 - 1.5 km. of Gawler River Road Lewiston (Boundary Rd end and Judd Rd. end)
 - intersection Realignment at Williams Road Gawler Road Two Wells
 - intersection Realignment at Germantown Road Dawkins Road Two Wells
- ◆ paving at First Street, Dublin and Redbanks Road, Mallala
- ◆ rail pedestrian crossing Gawler Road Two Wells (to be completed 2012-2013)
- ◆ Aunger/Gawler Road intersection lighting upgrade.

Major maintenance programs and works included:

- ◆ extensive patrol grading of the district's 795 kilometres of unsealed roads
- ◆ resealing and widening of Dawkins Road – (Old Port Wakefield road to Pederick Road) Two Wells
- ◆ resealing 1.6 km Ruskin Road – (South terrace to west of Bubner road) Dublin
- ◆ re sheeting (new wear course of 100mm of crushed limestone) 20.2 km of unsealed roads;
 - Long Plains: Ridley, Ryan and Hallion Roads
 - Calomba: Broster and Davies Roads
 - Two Wells: Horseshoe Crescent
 - Reeves Plains: Richter and Verner Roads
- ◆ Limerock Road Landfill Closure Plan earthworks (clay capping and shaping of the site)
- ◆ temporary depot relocation and set up for the duration of the new depot construction
- ◆ installation of a large number of road signs to improve information for the community, or to replace signs that were no longer serviceable or were damaged or stolen by vandals.

Horticultural Services

The Horticulture section has grown in the past 12 months and now has a total of five officers (one Senior Horticulture Officer, three Horticulture Officers and one Trainee Horticulture Officer).

The District Council of Mallala has formed a relationship with the Department of Correctional Services (Re-Pay SA) in providing a once a week commitment with persons to perform community service. This group has performed many duties including: removal of old fences throughout the district, weed control, spreading of mulch and many more tasks that would not be achievable without their help.

The team has been very busy clearing the vegetation from the drainage system throughout Lewis-ton and are now in the process of being sprayed.

Historic Wells

The Historic Wells area is in the throws of having a 'face lift'. The area has seen the removal of the Aboriginal statues from the Pudnarla Food and Medicine Trail and placed in their new home at the Wells. Over grown shrubs trees have been either removed or pruned to allow for a more visible area. The paving is currently under going re-laying to replace broken pavers and improve safety for all who visit.

Dublin Playground

In the second half of last year Dublin playground was upgraded with a new piece of equipment (bull rider), rubberised soft fall and shade structure. Total cost of the project \$29,000. Also a new section of fence along South Terrace was installed.

Waste Services

The District Council of Mallala operates and manages an alternating domestic waste and recycling collection. Residents residing in the rural living areas are provided with a 240 litre Mobile Garbage Bins (MGB) for recycling purposes. Residents residing in the townships of Mallala, Two Wells and Dublin are provided with a 240 litre MGB for dry recyclables and a bench top basket for food organic composting, a 140 litre MGB is provided for residual waste.

Council collects approximately 22MT (metric ton) of recyclables per fortnight, which equates to an average of 7.5 kilograms per household per week. On top of this there is also 4.76MT per fortnight of material incorrectly placed in bins for recycling. This represents a contamination level of 20%. The waste department will use these figures for bench marking and look for ways to reduce contamination in recycling.

Kerbside waste collected by Council amounts to 61MT per fortnight which equates to 21kg per household per fortnight.

Council collects approximately 13MT of green waste per fortnight, this includes food organic waste. 13MT per fortnight equates to an average 32.5 kilograms per household per fortnight (approximately 420 residences present organics for collection). Green waste is transported the Peats Soil processing facility located on Carslake Road Dublin for composting into garden products. Recyclables and domestic waste are transported either to the Northern Adelaide Waste Management Authority (NAWMA) to be further sorted, or processed in preparation for sending to landfill. Street bin rubbish and domestic waste collected on DCM northern areas is delivered to Inkerman for disposal into landfill.

The waste collection tonnage statistics for the reporting period are provided below:

Waste	1,594MT*
Recycling	576MT**
Green waste	344MT
Total	2,633MT

* Amount of domestic waste increased by 9% of last years reported figures

** The amount of materials collected during recyclables collections was 695MT. 576MT was the actual amount of recyclable material collected. The recyclables contamination tonnage of 119MT has been allocated to the waste figure of 1594MT. This may explain the 9% increase in the waste figure.

Council is committed to minimising its operating costs and aims to educate residents to maximise the amount presented for the recycling collection. The waste management staff will look at simple ways of deterring poor recycling behaviours while encouraging good behaviours.

Transfer Stations

New government regulations will be enforced as of July 2013 regarding the types of waste sent to landfill. Materials that have been included on the list of banned materials not to be sent to landfill include the following (effective 1 July 2012):

PVC or PS plastic packaging

Fluorescent lighting

Computer monitors and televisions

Whole earth mover tyres

From 1 September 2013

Other electrical equipment.

A review of service providers to our transfer stations is currently underway. The outcomes desired will be to enter into service agreements with providers who can dispose of these materials in the most cost effective manner for the district. The review has already identified reasonable savings to be earned by negotiating of rental rates of the skips utilised at DCM transfer stations. Hours of operation of our transfer stations are also being reviewed with preliminary work showing we served one customer per hour of operation (on average) over the past financial year.

Illegal Dumping

The issue of illegal dumping is a major concern. The waste department is using a program called ZEUS to record illegal dumping occurrences. This information may be used to identify 'hot spots' where illegal dumping occurs with some regularity. ZEUS is not necessary to identify all hot spots as some locations have such a regular occurrence of material being dumped that no electronic recording is really necessary to assist identifying these as hot spots.



The waste department will look to Zero Waste SA this year to discuss what results Council may expect to achieve with a more aggressive approach in dealing with illegal dumpers where they are identified.

Council has collected illegally dumped material from approximately 400 - 450 occurrences in the past year. Materials collected range in size from bags to trailer loads of domestic waste as well as other associated residential waste including tyres, asbestos and building materials. Illegal dumping is not only limited to road verges, but also occurs on parks, reserves, and watercourses.

The cost of illegal dumping was \$107,000 for 2011-12. This figure does not take into account the cost to Council of disposing of dumped material through our transfer stations.

It should also be noted that material collected by Council work crews is disposed of through our transfer stations and there is no cost applied to this action. The waste department will look to begin capturing this data during 2012-13.

DrumMuster – AG & Vet Chemical Container Stewardship

Council continues to participate in the DrumMuster collection program which provides an avenue for farm chemical metal and plastic drums to find their way back into a recyclables waste stream. With on-going support from the farming community, approximately 4,700 containers were collected over two days and sent for recycling during the past financial year.

E-Waste

The Federal Government has begun rolling out E-waste collections. The collections will happen in stages across Australia with collections hoping to be staged within or near to the council area prior to December 2013.

The program has been established and supported by the Federal Government. Manufacturers and distributors of computers or televisions in Australia also have a stake in the program as to be able to sell equipment in Australia they must also contribute to the costs of operating the recycling program. This specific program only facilitates the collection and recycling of televisions and computers or their peripherals e.g. keyboards, printers.

Note:

The creation of this television and computer product stewardship has led to an investigation as to whether a similar scheme can be successfully established for tyres. Draft plans of the tyre stewardship are currently in circulation.

Levies

An investigation into waste levies payable to the EPA for disposal of solid waste has found Council is no longer required to contribute directly to the EPA for disposal of solid waste. This will result in an annual saving of \$59,745.

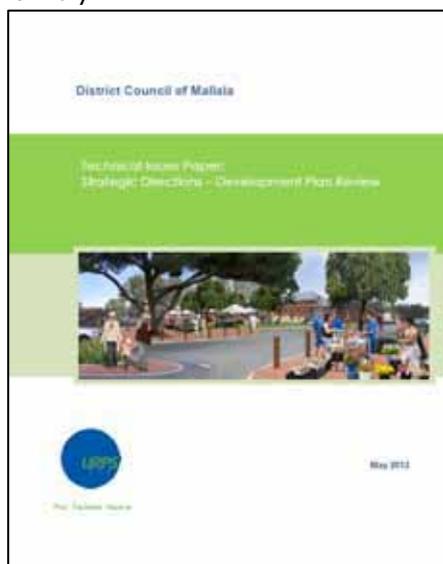
Planning and Compliance Services

Land Use Planning

Council is required under the *Development Act 1993* to review its Development Plan so that it accords with the direction of the State Strategic Plan and the Planning Strategy (*The 30 Year Plan for Greater Adelaide*) for the region. The State Strategic Plan is a peak strategy document developed by the State Government to which all subordinate plans must link to. The Planning Strategy is the spatial representation of the State Strategic Plan.

All councils are required to review their Development Plan and identify a program to make changes to ensure consistency with the Planning Strategy. During the year, Council commenced preparation of a Strategic Directions Report (former Section 30 Development Plan Review) following the release of *The 30 Year Plan for Greater Adelaide*. Council released a Technical Issues Paper and Discussion Sheets during the consultation period. The review is due to be completed by December 2012.

During 2011-12 Council continued to progress a number of Development Plan Amendments, namely:

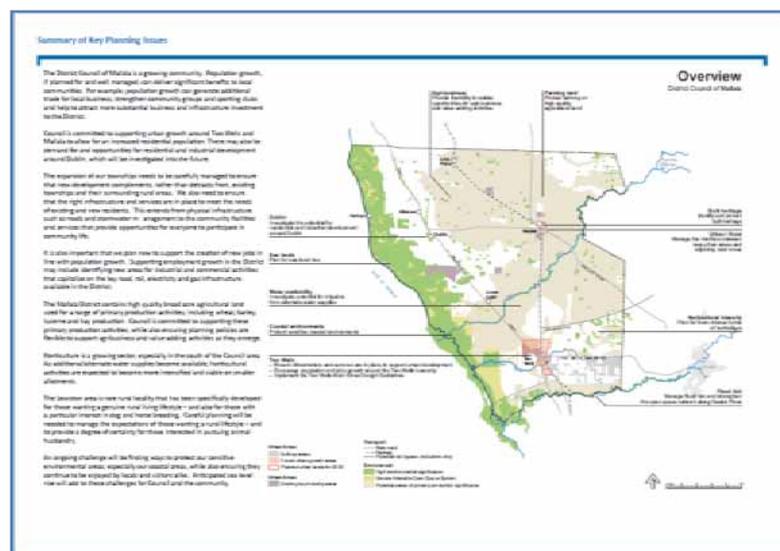


The changes can be summarised as:

- ◆ Updating most of the policies in the Council-wide section of the Development Plan with equivalent policies developed by the State Government's 'Planning Policy Library'.
- ◆ Restructuring the zone section in the Development Plan to amalgamate selected zones and rename others with standardised zone titles.
- ◆ Reordering headings in the Council Wide section and zones in alphabetical order
- ◆ Correcting historical anomalies or typographical errors in existing policy and mapping
- ◆ Introducing colour maps and Concept Plans to replace the black-and-white maps.

The **Mallala Township DPA** that examines opportunities to extend zoning of residential, commercial and industrial areas around the township and make provision for a heavy vehicle by-pass around the southern side of the township. The DPA has been held up due to investigations associated with the Community Wastewater Management System. It is anticipated that the draft DPA will be released for public consultation during the first half of 2012-13.

The **Better Development Plan and General DPA**, which is revising the Development Plan so that it accords with the State Government's Planning Policy Library.



The DPA report was released for public consultation from 3 May to 5 July 2012, with the intent to have the new Development Plan in place by the end of 2012, following consideration of the public and agency comments.

The **Two Wells Residential DPA** rezones land to accommodate future population growth for metropolitan Adelaide. The draft DPA was released for the statutory two month public consultation period that closed May 2012. Council is in the process of considering the submission, with the intent to finalise the DPA by the close of 2012.

The **Gawler River Flood Prone Area DPA** had been placed on hold. The DPA was proposing to introduce new flood hazard maps into the Development Plan, which provide more comprehensive and up-to-date information on the level of hazard for areas within the floodplain of the Gawler River. Given that flood mapping for Light River had been completed as part of the Two Wells residential development proposal, it is intended that during 2012-13. a new DPA will be initiated to cover both river systems.

Coastal Management

The Adelaide and Mount Lofty Ranges NRM Board continued to fund a Coastal, Estuary and Marine (CEM) Officer, which was hosted by the Mallala Council. The area covered by the work undertaken by the CEM Officer includes Port Gawler, Thompson Beach, Middle Beach, Parham, Port Prime, Buckland Park and Webb Beach.

Planting: Site preparation for approximately 2,900 stems was planted throughout the coastal areas in July and August 2011, including:

- ◆ 500 for the Northern Shorebird Walking Trail
- ◆ 800 at Port Gawler
- ◆ 400 (including tree guards) at Parham along the foreshore
- ◆ 800 (including tree guards) at Port Prime in three locations
- ◆ 50 at Buckland Park
- ◆ 150 (including guards) at Webb Beach, southern end of the Esplanade.

Various volunteer groups assisted with the revegetation of these sites and contractors were engaged as well.

Fencing: Various sites had either new fencing installed or repairs completed.

Weed Control was completed covering many sites. Species targeted include: Calomba Daisy, African Boxthorn, Bridal Creeper, Yellow Poppy, Stock Weed, Spiny Rush

Signage: Various signs have been installed throughout the coastal areas and some have included the SAPOL logo.

Other Activities:

- ◆ The CEM Officer ran a workshop on Shorebirds and Red Capped Plover at various venues,
- ◆ Fun in the Sun activity for Australia Day.
- ◆ Participated in a Saltmarsh/Samphire workshop.
- ◆ Survey of *Tecticornia flabelliformis* (Samphire species).
- ◆ Fauna survey for the Light River Delta.



Concerns/Issues:

- ◆ off-road vehicles and motorcycle use in sensitive coastal habitat
- ◆ vehicle abandonment in Samphire habitat
- ◆ rubbish dumping within Samphire habitat
- ◆ Port Prime becoming an increasing popular location for motorbikes, observable large degradation over last 12 months.
- ◆ vandalism of fencing and signage

The CEM Officer position became vacant in March 2012, with the incumbent returning to NSW. The NRM Board is seeking to continue the role and commenced advertising for the position.

The Board has been successful in obtaining Federal funding to continue its work to protect the Samphire Coastline. The \$2.6 million will help to rehabilitate South Australia's remnant coastal corridor over the next six years.

Development Assessment and Compliance

Development Assessment

The total number of development applications lodged with Council for the period was 325, which was slightly more than the 316 from the previous year. Accordingly, the value of development also increased from the previous year to a value of approximately \$32.6 million.

Table 1 : Development Applications & \$ Value of Development					
	2007-08	2008-09	2009-10	2010-11	2011-12
Numbers	337	335	354	316	325
Value (millions)	\$23.6	\$16	\$35	\$27.8	\$32.6

Most of the 325 development applications received by Council in the period were for developments approved by staff under delegated authority. These included dwellings, dwelling extensions, sheds/garages, swimming pools, verandahs, carports, pergolas, and other types of minor out buildings.

Proposals for development at Mallala, Dublin, Thompson Beach and Parham were received throughout the year, with most coastal applications referred to the Coast Protection Board for advice on required site and finished floor levels. However, the majority of applications received and approved with conditions, related to residential and rural living properties in the Lewiston/Two Wells area, including those seeking approval for horse keeping and dog kennelling. Plastic hot-house developments were also approved by staff during the period.

The creation of additional allotments within the district also continued, with 20 land division applications processed by Council. These included a mix of mostly residential and rural living allotments, and some boundary realignments in the agricultural areas.

Approximately 27 development applications were publicly notified during the period.

Council Development Assessment Panel (CDAP)

Seven meetings of Council's Development Assessment Panel took place during the period, an increase of two from the previous year. The panel meets when required on the first Tuesday of each month to consider public notification development applications where there has been representations, applications that are being recommended for refusal, and any other applications that staff consider warrant the attention of the panel. The panel may also be called to consider applicant compromise proposals resulting from appeals to the Environment, Resources and Development Court against their decision to refuse a particular development.

During the period the panel approved nine development applications and refused three (3) developments. The Panel also reviewed Council's Delegations Policy, CDAP Complaints Handling Policy and its meeting procedures. Approval was sought by the Panel to move panel meetings to Two Wells, however Council did not support the request.

Non-Complying Development

The Development Assessment Commission concurred with the Panel's decision to approve the division of one allotment into two within the Gawler River flood plain in Lewiston. Being a non-complying form of development the concurrence of the Commission was required before Council could grant Development Plan Consent to the proposal.

Appeals/Compulsory Conferences

An applicant appealed to the Environment, Resources and Development Court against the panel's decision to refuse the division of one allotment into five in Lewiston. The appeal has been placed on hold pending the outcome of a new application.

Customer Satisfaction – Development Assessment Survey Form

A total of 286 customer survey forms were sent out with decision notifications for planning and building approval during the reporting period with a total of 18 completed and returned. The level of customer satisfaction with the Council's Development Services Department was very high. The levels of satisfaction scored in excess of 8 out of 10 in 83% of cases.

Building Assessment

The number of building assessment inspections undertaken for the period was down from the previous year, as the building inspector was on extended leave. A total of 325 Development Applications was received by Council, with 64 of these being inspected during the year, meaning approximately 20% of all applications were inspected.

For the first time the 25% target specified in Council's building inspection policy had not been met, due in part to the absence of the building inspector for a two month period where no inspections were undertaken.

On a positive note, builders notified Council on fifty two occasions (81% of overall inspections), an increase of 8% from the previous year. Our records of the past six years indicate that builders have progressively become more responsible for notifying Council. This is a very important step considering that at the start of the financial year 2012-13, notifications for all dwellings becomes mandatory. This change in attitude will assist Council in ensuring that building compliance is achieved under the new legislation and that the number of inspections increases. Of the sixty four inspections performed in the last financial year, there was a wide variety of buildings viewed. Forty nine inspections (or 76.5%) related directly to dwellings or dwelling additions, ten (or 15.5%) related to minor domestic structures such as sheds and carports, and five (or 8%) related to commercial and industrial developments. Because dwellings are generally considered a higher risk assessment, the number of inspections relating to these buildings was also higher.

The Council's Building Fire Safety Authority once again saw changes to the Board, namely the resignation of Max McAlister (Chief Fire Warden) and the inclusion of Colin Paton in his place. Despite the change, the Authority was able to resolve many issues. In particular, the fire safety issues surrounding the institutes located at Mallala, Windsor and Dublin.

Despite the Building Code legislation changing little during the year, there was one amendment that did have a direct impact on Council. All new dwellings built in the district had to comply with the six star energy efficiency ratings. Previously, new transportable buildings only needed to comply with five star energy efficiency ratings but the subsequent change to six star requirements meant insulation was now required in the floors as well as walls and roofs. Other legislated changes included amendments to the footing standard AS 2870, where soil analysis could include bore log reports up to six metres deep.

By far the major focus of the past year regarding regulations was on the proposed new roof truss legislation. Much debate occurred over the quantity of inspections Council should perform, the type of responsibilities given to the site supervisors and the qualifications required for site supervisors to perform their tasks. In the end, it was determined that 66% of all dwellings designed with roof trusses approved by Council and built by a licensed builder must be inspected by the Council. This number increases to 90% if the proposed dwelling is to be constructed by anybody other than a licensed builder i.e. owner/builder.

It was also determined that all site supervisors shall provide Council with a checklist to confirm any new house with a roof truss installed in it is done so correctly. Although the new legislation is a concern for larger metropolitan Councils, Mallala Council should be able to handle the adjustment. Using inspection figures obtained for the last six years as a guide, we have the ability to meet these new obligations. The legislated changes were implemented at the start of the financial year 2012-13.

Two new developments stood out in the 2011-12 year. Although not the biggest, probably the most influential development on the Two Wells streetscape was the renovation of the building located at 112 Old Port Wakefield Road. The quality of the renovation was high and it helped rejuvenate the west end of the street. The other important development to occur was the commencement of the new Council depot re-development located in the township of Mallala.

Compliance

Illegal land use and building work has again been observed by Council staff during the period. Approximately 30 separate matters were investigated and progressed. Some of these matters impact negatively on adjoining land owners and as a result require detailed further investigation.

Compliance issues followed up by Council's planning and building staff included the following:

Various land uses without approval, e.g. storage of materials resulting in a 'junk yard', keeping of animals and associated structures without approval, including dog keeping and associated kennelling

Illegal structures, e.g. sheds, fencing, additions, building conversions, verandahs, carports and some plastic covered green houses and associated development.

Non-compliance with existing conditions of approval has also been observed by Council staff during the period.

It is noted that some residents and property owners are not aware that certain activities on their properties require Development Approval under the *Development Act, 1993*, including change in land use and building work.

The decision of Council to fund the employment of a full time Compliance Officer will significantly improve the ability of Council to follow up and investigate compliance matters. It is expected that an appropriate person will commence in this role in approximately September 2012.

Regulatory Services

Food

Council continues to undertake its legal responsibilities under the provisions of the *Food Act 2001* with the resources available. Food premises throughout the district are inspected on a regular basis. The frequency of inspections is dependent on their risk classification which is established using the Australian New Zealand Food Standards Council (ANZFS) system.

Of the 75 food premises in the district, 16 are rated as low risk, 55 as medium and one as high risk. The remaining three premises are deemed to provide food to 'vulnerable populations' and are required to provide a Food Safety Plan and be independently audited, however Council is still responsible for enforcing any non-compliance of these premises.

During the 2011/2012 period there were 55 routine inspections conducted and a total of 11 re-inspections for non-compliance. In the same period, seven warning letters were sent and one Improvement Notice was issued (later complied with). There were no food related complaints received by Council in this years reporting period, which is encouraging.

Proprietors are regularly informed of changes to food legislation best practice standards and relevant health warnings regarding food requirements. Food safety and hygiene legislative information is distributed to all food business, community and charitable organisations in the Council district.

The Council Website is also continually updated and information is available relating to the relevant legislation and codes, food business notification, food handler training and links to other food related information.

The "I'm Alert" online (free) Food Safety Training Program has been very successful and has received good patronage with over 115 individuals logging on to the system to date. Overall, the response to the service has been very positive although the completion of a more formal TAFE course may be more appropriate for some businesses.

Public and Environmental Health

The new *Public Health Act 2011* has begun a gradual role out over the next two years and will eventually completely replace the *Public and Environmental Health Act 1987*. Officers will still be authorised under the old act until the new legislation is completely implemented.

The Act recognises Local Government's role as:

- ◆ public health authorities for their areas
- ◆ preserving, protecting and promoting public health within its area
- ◆ Co-operating with other authorities involved in the administration of the Act
- ◆ ensuring that adequate sanitation measures are in place in its area
- ◆ ensuring that activities do not adversely affect public health
- ◆ identifying risks to public health within its area
- ◆ providing or supporting activities within its area to preserve, protect or promote public health.

It is believed that the Act will not fundamentally change the role of Local Government in public health, although councils will need to implement a Regional Public Health Plan. This process is currently underway with assistance from the LGA and 22 pilot councils, with guidelines expected to be made available in the fourth quarter of 2012 in line with the commencement of the State Public Health Plan. The LGA will also provide assistance and training to councils in this area.

Under the current legislation, five inspections of health premises (hairdressers, natural therapists, swimming pool) were conducted in the reporting period, all of which complied with the regulations. A total of 16 complaints were investigated concerning various public health issues. These included preventing insanitary conditions on premises, and controlling offensive activities.

High risk manufactured water systems (cooling tower and warm water supply) were inspected and audited independently under the *Public and Environmental Health (Legionella) Regulation*.

Disease Surveillance

Notifiable diseases can be associated with a variety of sources, including preparation and consumption of food; access to swimming pools; cooling towers/warm water handling systems and handling of potting soil etc.

Council liaises with the Communicable Disease Control Branch of the Department of Health and maintains Communicable Disease surveillance within the district to help prevent the transmission of infectious diseases. This is achieved by undertaking interviews and conducting investigations, when necessary, to determine the source of an illness and to establish links between similar cases. There were two (2) disease notifications requiring investigation during this period.

Vector Control

Council's Public and Environmental Health Section regularly liaise with the Department of Health regarding monitoring and controlling mosquitoes. Samples of mosquito larvae and adults are collected, identified and recorded for density determination and population monitoring. Due to the large areas of coastal mangroves, control of mosquitoes in this area is not practical or viable and residents of these areas are encouraged to be aware of the preventative measures they can take. Information relating to this is available on the Council Website.

European Wasps

During the reporting period there were no European Wasp nests either identified or destroyed. Residents are encouraged to report wasp sightings, and Council supplies information and instructions of how to locate the nest. When the nest is located, arrangements are made to have the nest destroyed by a licensed pest controller at no cost to the ratepayer. Further information is also available on Council's website.

On-site Waste Water Disposal

Due to the district being a non-sewered area, wastewater system approvals continue to require compliance under the Act (Public and Environmental Health (Waste Control) with the receipt of 80 applications for installation or alteration of wastewater systems and 115 inspections conducted in the reporting period.

During this period there were a total of five systems that were not in compliance with the regulations, which have since been resolved.

Various types of systems are approved in the area, ranging from a conventional septic tank system with alternating trenches, to the more technically advanced Aerobic Waste Treatment Plants and Sand Filter Systems. The Septic Tank Effluent Disposal (STED) Scheme at Middle Beach is currently the only community based system in the district.

Animal Management

Council is responsible for the management of dogs within the district pursuant to legislation under the *Dog and Cat Management Act, 1995*. The objectives of the Act are to encourage responsible ownership, promote effective management and reduce the public and environmental impact from dogs and cats. Council is responsible under the Act to receive registration of dogs.

During the reporting year Council received 3237 individual dog registrations and 119 business registrations. It is estimated that the average number of dogs on a property with a dog business registration is about 15 dogs, which equates to approximately 1785 dogs. Total dogs registered for the period, including business registrations, was 4903. A door knock conducted by Council during the year is considered to be mainly responsible for the increase in the number of registered dogs from the previous year (4774 registered dogs 2010-2011).

Dog Complaint Statistics

Complaint	2011/2012
Dog wandering at large	59
Dog impounded	110
Dog returned to owner	60
Dog attack on humans	4
Dog attack on animals	12
Dog harass on humans	0
Dog harass on animals	0
Dog barking	3
Expiation Notices issued	101

Since the completion of Council's second Dog and Cat Management Plan for the Year 2012-2017 pursuant to Section 26A of the *Dog and Cat Management Act 1995*, policies, procedures and improvements are being produced and put into place for dealing with various dog and cat management issues.

The dog off-leash area on Wells Road Two Wells is still being used regularly by the public.

While Council resolved not to introduce cat management controls at this point, residents are afforded advice and assistance in the removal of stray or feral cats, to lessen their impact on the environment and society.

Fire Prevention

The *Fire and Emergency Services Act 2005*, stipulates that each rural councils must appoint a Fire Prevention Officer for its area. The role of Council's Fire Prevention Officer includes the monitoring of residential areas to ensure landowners take reasonable steps to protect property from fire, as required under the Act. Inspections of residential areas, leading up to and during the fire danger season are carried out to assess compliance. Notices are issued where compliance has not been met.

Section 105F Notices are issued pursuant to the Act, requiring landowners to attend to maintenance of land to reduce the risk of fire. Council also has the responsibility to ensure that reserves which come under its care and control are maintained to good bushfire prevention standards.

Section 105F Statistics	2011/2012
Section 105F Notices Issued	275
Council action required	6
Expiations Issued	5

Council's Fire Prevention Officer is also responsible for the issuing of permits and monitoring compliance, pursuant to the *Fire and Emergency Services Act*, for the agricultural purpose of burning off stubble. As the district is largely agricultural, with predominance for cropping, the agricultural practice of burning stubble to lessen weed and pest infestation is commonly undertaken.

During the fire danger season of the period, Council's Fire Prevention Officer issued 49 fire permits for that purpose.

Governance and Organisation

Key Governance & Organisation Services

- ◇ Council Committees
- ◇ Customer Service
- ◇ Elected Member Support
- ◇ Events
- ◇ Human Resources
- ◇ Information Technology
- ◇ Rating Administration
- ◇ Records Management
- ◇ Risk Management
- ◇ Financial Management & Compliance

Structure and Functions of Council

Functions of Council

Council has a legislative requirement and responsibility to:

- ◆ Determine policies to be applied by the Council in exercising its discretionary powers;
- ◆ Determine the type, range and scope of projects to be undertaken by the Council; and
- ◆ Develop comprehensive management plans, budgets, financial controls and performance objectives and indicators for the operations of Council.

Council makes decisions which may direct or determine its activities and functions. Such decisions include the approval of works and services to be undertaken and the resources required to undertake them. Decisions are made to determine if approvals are to be granted for applications from residents for various forms of development.

Council Meetings

Council consists of four (4) Wards with eleven (11) Councillors; it is the peak decision-making body on all policy matters. Ordinary meetings of the full Council are held on the 4th Monday monthly. Members of the public are welcome to attend. Where the Monday is a public holiday, Ordinary meetings are held on the following Tuesday.

Council's Strategic Infrastructure & Planning Committee meets on the 2nd Monday, monthly and the Strategic Community & Governance Committee on the 3rd Monday, monthly. All Elected Members sit on each committee with the goal to discussing items to be consider by Council at it's Ordinary meeting The provides a greater opportunity for the provision of information and discussion while streamlining the decision making process.

Council's Development Assessment Panel meets the 1st Tuesday monthly, however does not sit if there are no development assessment considerations.

Ordinary & Strategic Council meetings commence at 7:00pm with the Council Development Assessment Panel meetings commencing at 6:30 pm, all meetings are held in the Mallala Council Chambers, Redbanks Road, Mallala. In accordance with Council's Community Consultation Policy, Council may at times vary the times and locations of its meetings where a specific item of community interest warrants it.

All Council and Section 41 Committee meetings are open to the public and agenda's and minutes of each meeting are available either at the Mallala Principal Office, Two Wells Service Centre or via Council's website www.mallala.sa.gov.au.

Customer Service

With the establishment of the Two Wells Service Centre in late 2010 there continues to be an improved consistent, communicative provision of customer services to the wider community, in particular the development application process and public and environmental health matters. Council continues to receive positive feed-back from the wider community and in-particular those to the South of the District who have benefited from this additional face to face resource.

With on-going training and development of customer service staff Council now has a multi-skilled team providing additional administrative support to Councils operations. They continue to provide valuable administrative support to the Infrastructure & Planning and Corporate & Community Services departments with a number of staff undertaking a range of roles and responsibilities.

Following the Complaints Handling policies and procedures audit by the State Ombudsman late in the 2010/2011 period Council set about reviewing the Ombudsman's recommendations and made minor amendments to its Internal Review of Council's Decision Policy, more importantly Council undertook a complete review of its Customer Service Charter which, following considerable consultation with staff and Council, saw the development and implementation of a more accurate charter. The Ombudsman was happy with Council's strategic direction and the work undertaken with the view to ensure best practice with its complaints handling requirements.

Financial Management

As part of the financial sustainability program Council has in place a long term financial plan and associated financial policies to ensure cash flow and debt levels are monitored and managed effectively to produce an optimum outcome for Council and the community.

Key Performance Indicators are used to analyse our financial position and identify any trends in our sustainability. Council endeavours to inform the community of its current financial position through its Public Consultation Policy relating to the Annual Business Plan, Long Term Financial Plan, Budget & Rating Reviews and Councils Audit Committee. Financial sustainability indicators are also reported three (3) times annually as part of the budget review process, tracking our performance and informing Council, Auditors and the Audit Committee.

Financial Statements for the year ending 30 June 2012

Council's auditor, Ian McDonald, audited and recently accepted and signed the District Council of Mallala Annual Financial Statements, without qualification. The Council received and noted the statements at its general meeting on Monday 26 November 2012.

The Financial Statements, Notes to the Financial Statements and the Key Performance Indicators are presented in Appendix One (1) to this report and indicate that Council's overall performance, while requiring close monitoring over this period of extensive growth, remains within acceptable levels. Whilst the debt level remains manageable, Council's aim to produce a positive operating result continues to provide a challenge and its performance in maintaining and renewing infrastructure assets is within the Local Government's target range.

National Competition Policy

Council finalised and implemented three (3) By-Laws during the period—By-Law No:1 – Permits & Penalties; By-Law No:3 – Roads; and By-Law No:5 Moveable Signs

Council continued to work on its By-Law No: 2 Local Government Land & By-Law No: 4 Dogs with public consultation occurring late in the period. Council hopes to resolve both By-Laws early in the 2012/2013 period.

Council undertook no significant business activities in either category for the financial year outside of its budget.

Governance

Community Consultation

Council holds regular Consultation & Information sessions relevant to specific projects from time to time and members of the public are encouraged and invited to attend. Members of the public have a number of opportunities and avenues to express their views on particular issues before Council including:

Deputations — A member of the public wishing to appear before Council or a Section 41 Committee must seek permission of the Mayor or Committee Chairperson. A request must include a statement of the reason why the member wishes to appear. The Chief Executive Officer (CEO) must notify the Mayor and the Mayor must advise the CEO, in writing, that the CEO notifies the member, in writing, of the date and hour of the meeting and also informing them that they have up to five (5) minutes to discuss the item. Council recorded nil deputations during the 2011/2012 period.

Elected Members — Members of the public may contact, verbally or in writing, an Elected Member to discuss any issue relevant to Council.

Employees — Members of the public may contact Council employees, verbally or in writing to discuss issues relevant to Council.

Open Forum — To encourage direct communication between the public and Council, a 30 minute open forum segment is held for the public to make statements, place submissions or put questions before Council.

Petitions — Written petitions must be addressed to Council and may address any issue within the Council's jurisdiction. Council recorded eight (8) petitions during the 2011/2012 period.

Written Requests — A member of the public may write, this includes email and fax, to Council on any Council Code, Policy, Procedure or Service.

Council acknowledges that the community has a right to be informed and involved in decisions affecting the District and is committed to effective consultation and communication with its residents and other stakeholders. Effective consultation involves seeking and receiving feedback, as well as providing information to the community.

Council Community Consultation Policy outlines the procedures Council will follow when engaging and seeking feedback from the community in its decision making process ensuring accountability and transparency. Dependant on the topic for consultation, the number of residents who have the potential to be affected and the community interest in the topic will determine the level of consultation undertaken by Council which may include:

- ◆ Regular Newsletters – District Communicator
- ◆ Direct Mail Publications
- ◆ Local, Regional & State Media Publications and Releases
- ◆ Community Forums and Stakeholder Meetings
- ◆ Market Research and Surveys
- ◆ Council's Website – www.mallala.sa.gov.au
- ◆ General Fixed Displays / Notice-Boards / Library Displays.

Council Codes & Policies

Council continues to develop, implement and review its Governance and Operational codes, policies and associated documentation in accordance with legislative requirements and regularly undertakes internal, Local Government and community consultation with its policy development and review. Council maintains a review schedule of its policies with all legislatively required documentation, available to members of the public at Council's Principal Office – Mallala, the Two Wells Service Centre or at www.mallala.sa.gov.au Documents are available for viewing on site or purchase in accordance with Councils Schedule of Fees.

Council's policies align with its Strategic Framework under Community Development, Economic Development, Natural & Built Environment and Governance and Organisation.

Council maintains a range of policies required by legislation including, but not limited to:

- ◆ Asset Impairment Policy
- ◆ Asset Management Policy
- ◆ Asset Revaluation Policy
- ◆ Caretaker Policy
- ◆ CDAP Complaints Handling Policy
- ◆ Code of Practice – Access to Council Meetings & Documents
- ◆ Code of Practice – Council Meeting Procedures
- ◆ Community Consultation Policy
- ◆ Council Members Allowances & Benefits Policy
- ◆ Customer Service Charter
- ◆ Delegations Policy
- ◆ Disposal of Assets other Than Land Policy
- ◆ Disposal of Surplus Land Policy
- ◆ Elected Members Code of Ethics
- ◆ Employees Code of Ethics
- ◆ Funding Policy
- ◆ Gifts, Benefits, Hospitality & Services Policy
- ◆ Grievance Procedure – Elected Members
- ◆ Information Technology and Communications Policy
- ◆ Internal Review of Council Decisions Policy
- ◆ Records Management Policy
- ◆ Risk Management Policy
- ◆ Tender & Purchasing Policy
- ◆ Treasury Management Policy
- ◆ Volunteer Policy
- ◆ Vulnerable Groups / Individuals Policy
- ◆ Whistleblowers Policy

Delegations

Under Section 44 of the Local Government Act 1999 Council is able to delegate authority under a range of legislative acts and regulations to the Chief Executive Officer who in-turn is able to sub-delegate authority to specific Council employees and committees.

Council last reviewed its delegations and associated authority in May 2011 and maintains a Delegations Register available to members of the public at Council's Principal Office, 2a Wasleys Road, Mallala as required by legislation and on Council website at www.mallala.sa.gov.au

Council is due to review it's Delegations Register in the first half of the 2012/2013 period.

Internal Review of Council Decisions

In accordance with Section 270 of the Local Government Act 1999, Council has an established Internal Review of Council Decisions Policy and associated procedures. The Policy is one aspect of Council's customer focussed approach to service delivery. It provides a further opportunity to review the way Council provides services to the community and to identify areas for improvement.

Council is committed to transparent decision-making processes; and to providing access to a fair and objective procedure for the internal review of decisions. Grievances may arise as a result of dissatisfaction with a decision about a policy, procedure, service or fee. All attempts will be made to resolve grievances quickly and efficiently, without the need for formal applications for review to be lodged. Sometimes this cannot be achieved. The policy provides guidance for dealing with formal requests for internal review of decisions of Council, its employees, and other people acting on behalf of the Council.

Council did not receive any formal requests for an Internal Review of Council Decision during the period. Council undertook a comprehensive review of its Community Consultation Policy and its Complaints Handling Framework which was acknowledged by the Ombudsman as part of their Complaints Handling Audit.

Section 41 Committees & Subsidiaries

Section 41 of the Local Government Act 1999 allows Council to establish committees in an effort to streamline its business and assist with specific functions and programs within Council. In addition to Elected Members being sitting members, members of the public are encouraged to nominate and become committee members. The membership of the public to these committees provides greater involvement and ownership in specific projects and the decision making process.

Section 41 Committees predominately operate in an advisory capacity to Council discussing specific functions of the Committee and making recommendations to Council which the Council will consider. Each committee has ratified Terms of Reference applicable to their authority, delegation and specific functions.

Council undertook a review of its Section 41 Committee's during 2011 with the view to better aligning its Section 41 committees to the 2011-2014 Strategic Plan and the Strategic Infrastructure & Planning and Strategic Corporate & Governance Committees. Council undertook considerable consultation with current committees and the community as a whole, which included a number of meetings with current members. The review resulted in the renaming and amalgamation of a number of committees with some committees being disbanded.

The following Committees meet on a monthly, quarterly or six (6) monthly basis, with the committees bound by Council's Code of Practice – Meeting Procedures. Members of the public are able to attend, with agenda's and minutes of meetings available at Councils Principal Office – Mallala, Two Wells Service Centre or Councils website www.mallala.sa.gov.au .

- ◆ Audit Committee
- ◆ Community Development & Advisory Committee
- ◆ Economic Development Advisory Committee
- ◆ Environmental Management Advisory Committee
- ◆ Facilities & Infrastructure Management Advisory Committee
- ◆ Mallala & Districts Aged Homes Committee
- ◆ Mallala & Districts Historical Committee

As part of the Section 41 Committee review the Dublin, Mallala & Windsor Institute committees were disbanded, with the view to leasing the facilities back to the community groups. Council, together with these community groups, undertook community consultation and negotiated suitable leasing arrangements for the groups to occupy the facilities. While Council maintains ownership and a level of responsibility for the facilities they are being managed and utilised by committed community groups and volunteers who it is hoped will see an increased use of these valuable facilities.

Allowances

Members of Council's Audit Committee and Council's Development Assessment Panel are entitled to an allowance within the limits imposed by legislation. This allowance is to help cover the cost of performing and discharging their official functions and duties.

The following allowances were paid by Council for the period:

Audit Committee

Mr. John Comrie	\$3,000.00—net, plus GST
Mr. Peter Fairlie-Jones	\$1,200.00

Council Development Assessment Panel

Mrs. Debra Scott	\$2,310.00
Ms. Sandra Foote	\$1,980.00
Mr. Rob Veitch	\$1,350.00
Mr. Trevor White	\$1,890.00

Total: \$12,030.00

Councillors Yvonne Howard, Joe Daniele and Tom Summerton are members of Council's Development Assessment Panel.

External Bodies

Council is a member of, or participates in, a number of external Associations, Boards and Committees throughout the region.

Council's membership and participation involves its Elected Members, employees and members of the community. These external bodies include, but are not limited to:

- ◆ Adelaide & Mount Lofty NRM Board
- ◆ Yorke NRM Board
- ◆ Regional Development Australia Barossa
- ◆ Local Government Association
- ◆ Local Government Finance Authority
- ◆ Central Local Government Region Inc
- ◆ Gawler River Floodplain Management Authority
- ◆ District Council of Mallala Bushfire Prevention Committee
- ◆ Mid North Regional Passenger Transport Service
- ◆ Wakefield Group of Councils

Subsidiaries

Council is a member of two (2) subsidiaries under Section 42 of the Local Government Act 1999—Central Local Government Region (CLGR) and Gawler River Floodplain Management Authority (GRFMA), in accordance with Section 28(3) Schedule 2 of the Local Government Act, 1999. The CLGR and GRFMA Annual Reports are provided as Appendix two and three respectively.

Council does not have any subsidiaries established in accordance with Part 1 Schedule 2 of the Local Government Act, 1999.

Human Resources

During the period Council employed a range of full-time, part-time, casual and contract staff. Council employees performed a range of core functions associated with Council's roles in addition to performing a range of additional tasks and responsibilities to achieve requirements as set out in its Annual Business and 2011-2014 Strategic Plans.

Following Council's organisational review there continued to be new appointments and changes in specific roles, to finalise the intended goals of the review process and to adequately provide the resources needed by Council. Council still requires resourcing in its Infrastructure & Planning Department and will further benefit from specific Human Resources direction. Council is an equal opportunity employer and welcomes employment interest from all avenues, including internal applicants. While Council does not have an allocated Human Resource Officer, it is establishing a Human Resource system which will better assist staff and management, while ensuring the personal and professional development of staff.

Council established an internal employee group (FOCCUS Team) who continue to focus on the personal and professional development of the organisation and foster a social environment for all staff. Council engaged the services of mjrecruit during the period to undertake a cultural review of the organisation. The review involved a number of employees being interviewed specifically regarding the current culture within the organisation and more specifically employees understanding of the Council's Core Values and Code of Ethics. Recommendations were provided to the Chief Executive Officer late in the period and it is intended that the Senior Management Team will address identified opportunities commencing in the 2012/2013 period.

Late in the period Council, in conjunction with a number of other Councils, became involved in the Workforce Planning Project being facilitated by the LGA and Workforce Planning Australia. The goal of the project is to identify Council's current human resources, their abilities and experience and more importantly their future personal and professional plans. It is hoped that at the conclusion of the project Council will have a better understanding of what its employees consider valuable in terms of their employment, their future plans and what would / would not see them continue their employment with Council and how this can best be managed by Council. Council acknowledges the range of industries competing for experienced employees and that it must identify suitable human resource practices to maintain a suitably qualified team, now and into the future.

The Employees Enterprise Bargaining Agreement (EBA) was reviewed during the period with employees electing to split their current agreement involving all staff and renegotiate specific EBA's for the administrative and construction work groups. Employees were elected from both work groups to form an Employee Bargaining Group which was charged with the responsibility of negotiating new EBA for employees. There were minimal changes to employee conditions in the new agreement with a 4% wage increase annually for the next three (3) years. Employees, Management and the respective Unions all communicated and worked effectively which contributed to an easy progression into the next EBA.

Council continues to be part of the LGA Corporate Health Program with a variety of health based initiatives available to staff, including a range of physiological and psychological practitioners and services.

Directorate	Male	Female	Full Time	Part Time	Casual	Contract
<i>Corporate & Community Services</i>						
Chief Executive Officer	1		1			1
Executive Assistant		1	1			
General Manager	1		1			1
Administration Officer		1		1		
Records Officer		1	1			
Finance Coordinator	1		1			
Finance Officer		1		1		
Payroll / HR Officer	1				1	
Accounts Payable / Receivable Officer		1		1		
Rates / IT Support Officer	1		1			
IT Project Officer		1			1	1
Governance Coordinator	1		1			
Customer Services Officers		2	1	1		
OHS Officer	1		1			
Library Services Coordinator		1	1			
Library Officers		2		2		
Community and Communication Officers		3		3		
Cleaner		1			1	
<i>Totals – Corporate & Community</i>	<i>7</i>	<i>15</i>	<i>10</i>	<i>9</i>	<i>3</i>	<i>3</i>

Directorate	Male	Female	Full Time	Part Time	Casual	Contract
<i>Infrastructure & Planning Services</i>						
General Manager	1		1			1
Administration Officer		1	1			
Development & Compliance Coordinator	1		1			
Depot Operations Coordinator	1		1			
Strategic Infrastructure Coordinator	1		1			
Planning Officer	1		1			
Policy Officer / DA Support		1	1			
Building Officer	1		1			
Environmental Health Officer	1		1			
General Inspector	1		1			
Customer Service Officers		2	2			
Infrastructure Support Services Officer		1	1			
Coast, Estuary Marine Officer		1	1			1
Asset Management Officer	1		1			
Building Maintenance Officer	1		1			
Senior Civil Officer	1		1			
Senior Horticulture Officer		1	1			
Senior Workshop Officer	1		1			
Senior Waste Officer	1		1			
Waste Management Officers	2		2			
Horticulture Officers	2	1	3			
Maintenance and Construction	11		11			
<i>Totals – Infrastructure & Planning</i>	28	8	36	-	-	2
<i>Overall Totals</i>	35	23	46	9	3	5

Information & Technology

Having in the past investigated and agreed to implement TRIM, Council has progressed to the implementation of the TRIM records management system. The adoption of this system will provide a more secure and efficient records management system and is expected to be operational in late 2012.

Council purchased the Conquest System which will assist it in its asset management requirements and also purchased the ChemWatch Substance System which will see Council better manage its workplace substances.

Council purchased and distributed i-Pad's for its Elected Members and Senior Management; this has been extremely valuable for the provision of information and more specifically for use during a range of meetings. Council reviewed its Records Management Policy and introduced an Information Technology and Communications Policy to assist in the best practice management of the new IT resource.

Rating & Property

Modelling property-rate revenue is completed annually when Council formulates its annual budget to ensure overall rate increases are kept at targeted levels whilst accounting for valuation increments. Council makes adjustments to its variable rate to balance the impact of rate increases on individual households.

Council continues to use a minimum charge plus variable rate by zone model in calculating and raising property rate revenue. The authenticity of property, name and address records is checked against the data provided by the office of the Valuer-General annually and updated where necessary.

At its 25 June 2012 ordinary meeting, Council resolved that the 2012-2013 Financial Year Rate Instalments would be:

7 September 2012, 7 December 2012, 1 March 2013, and 7 June 2013.

Electoral Representation

Section 12(4) of the Local Government Act 1999 requires Council to complete a comprehensive review of its size, composition and the division, or potential division of the Council are into Wards, this review must be completed at least every eight (8) years. In accordance with Section 12(4) and Section 12(8) (a) of the Local Government Act 1999 C.L Rowe & Associates conducted and provided a report to Council in August 2009.

Due to recently introduced legislative amendments, Council is required to complete another review by April 2013, so as to ensure fair and equitable representation of all electors, prior to the 2014 Local Government elections.

Sections 26 & 33 of the Local Government Act 1999 outline the need to ensure fair representation while avoiding over representation in comparison to other similar sized Councils. The District Council of Mallala is classed as Rural Agricultural Large (RAL).

The following table is a representation of Councils comparison with other RAL Councils:

Council	Electors	Total	Representative
Clare & Gilbert Valley	6454	10	645
Coorong	4011	9	445
Grant	5680	10	568
Mallala	5580	11	507
Mid Murray	6599	12	549
Naracoorte / Lucindale	5956	11	541
Northern Areas	3531	9	392
Renmark Paringa	6403	9	711
Tatiara	4631	10	463
Wakefield Regional	4835	11	439

Records Management

Records management continues to be significant to Councils operations; it enables the control of one of our most valuable resources and information requirements. Council uses the GDS20 – General Disposal Schedule filing system as developed by State Records. All official records are captured and registered in our records management system. The implementation of the TRIM records management system in late 2012 will further improve Council’s records management practices.

Access to Council Documents

In accordance with Section 92 of the Local Government Act 1999, Council has an established Code of Practice – Access to Council Meetings and Documents. The following documents are available for public inspection at Council’s Principal Office in Mallala, or by visiting Councils website at www.mallala.sa.gov.au

Members of the public may purchase copies of these documents in accordance with Councils Schedule of Fees and Charges available on request:

- ◆ Annual Budget
- ◆ Annual Financial Statements
- ◆ Annual Report
- ◆ Council & Committee Agendas & Minutes
- ◆ Council By-laws
- ◆ Delegations Register
- ◆ Development Plans
- ◆ Elected Members & Employees Code of Ethics
- ◆ Long Term Financial Plan
- ◆ Organisational Policies
- ◆ Register of Allowances & Benefits
- ◆ Register of Community Land
- ◆ Register of Debenture Loans
- ◆ Register of Interests,
- ◆ Register of Leases & Licences
- ◆ Register of Public Roads
- ◆ Register of Salaries
- ◆ Schedule of Fees & Charges
- ◆ Strategic Plan
- ◆ Voters Roll

Freedom of Information

Requests for information not included above will be considered in accordance with the Freedom of Information Act 1991 and the Local Government Act 1999.

In accordance with this legislation an application fee and where appropriate, a search fee, must be forwarded with a completed request form as provided for in Regulation 275 of the Freedom of Information Act 1991, unless the applicant is granted an exemption.

Where the applicant requires copies of any documents, pursuant to a Freedom of Information Application, the charges set out in Council's Schedule of Fees & Charges will apply.

Freedom of Information enquiries and Application Forms must be addressed to:

Governance Coordinator
 District Council of Mallala
 P.O. Box 18
 Mallala SA 5502

Applications will be responded to as soon as practicable within the statutory period of Council receiving the properly completed Freedom of Information Application Form, together with application and search fees. In accordance with Section 13 of the Freedom of Information Act 1991 and Section 65 of the Local Government Act 1999 nil determinations relating to Access to Documents requests were received by Council in the twelve months to 30 June, 2012.

Amendment of Council Records

A member of the public may request access to Council documents, to make amendments to their personal affairs, by making a request under the Freedom of Information provisions of the Local Government Act 1999. A request may then be made to correct any information about them that is incomplete, incorrect, misleading, or out of date.

To gain access to these Council records, a Freedom of Information Request Form must be completed, as indicated above, outlining the records that the applicant wishes to inspect.

Confidentiality Provisions

Council utilised the following provisions of Sections 90 and 91 of the Local Government Act 1999 to consider confidential matters during the period:

- 90(2)	15 occasions
- 90(3)(a)	10 occasions
- 90(3)(b)	1 occasion
- 90(3)(h)	1 occasion
- 90(3)(k)	3 occasions
- 90(3)(m)	1 occasion
- 91(7)	11 occasions
- 91(9)	11 occasions.

Council's Development Assessment Panel did not record utilising Section 56A of the Development Act 1993 to consider confidential items during the period.

This Information Statement is published by the District Council of Mallala in accordance with the requirements of Section 65(r) of the Local Government Act 1934, as amended.

Council is pleased to comply with this legislation and welcomes all enquiries from the Public for information.

Risk Management & OHSW&IM

Council continues to be a self-insurer through the LGA Workers Compensation Scheme and is required to comply with WorkCover standards and to meet various legislative requirements. The LGA continued with its One System Implementation Program which continues to provide a greater emphasis on management being involved in the planning and development of Councils OHSW&IM System.

Council was only audited against its risk management practices during the period with the results and recommendations of that audit being provided to Council early in the 2012/2013 period. The LGAWCS did not undertake an OHSW KPI Audit during the period as it has done in the past as a result of the LGA undergoing its own audit by WorkCover.

Council has seen a significant improvement in its practices having now developed a highly successful and efficient OHSW&IM system both practically and administratively.

Council continues to work on the Good Governance Program providing quarterly reports to its Audit Committee. During the period Council has made significant in-roads to its Governance & Risk Management performance with more detailed and established policies, procedures, training and development.

Appendix 1— Financial Statements

District Council of Mallala
General Purpose Financial Reports
for the year ended 30 June 2012

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DISTRICT COUNCIL of MALLALA

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2012

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 2012 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.



.....
Charles Mansueto
CHIEF EXECUTIVE OFFICER



.....
Marcus Strudwicke
MAYOR/COUNCILLOR

Date: 15 NOVEMBER 2012

District Council of Mallala

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2012

	Notes	2012	2011
INCOME			
Rates	2	6,228,473	5,737,670
Statutory charges	2	282,739	255,724
User charges	2	83,515	87,887
Grants, subsidies and contributions	2	1,805,425	1,431,949
Investment income	2	45,436	68,198
Reimbursements	2	430,170	582,437
Other income	2	38,168	46,358
Net gain - joint ventures & associates	19		3,109
Total Income		<u>8,913,926</u>	<u>8,213,332</u>
EXPENSES			
Employee costs	3	3,760,404	3,394,391
Materials, contracts & other expenses	3	2,915,327	3,658,046
Depreciation, amortisation & impairment	3	1,965,110	1,599,005
Finance costs	3	265,445	265,309
Net loss - joint ventures & associates	19	401,333	
Total Expenses		<u>9,307,619</u>	<u>8,916,751</u>
OPERATING SURPLUS / (DEFICIT)		(393,693)	(703,419)
Asset disposal & fair value adjustments	4	(12,577)	(170,233)
Amounts received specifically for new or upgraded assets	2	208,808	260,397
NET SURPLUS / (DEFICIT)		<u>(197,462)</u>	<u>(613,255)</u>
transferred to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	16,848,915	2,645,737
Share of other comprehensive income - joint ventures and associates	19	-	124,758
Impairment (expense) / recoupments offset to asset revaluation reserve	9	-	(234,086)
Total Other Comprehensive Income		<u>16,848,915</u>	<u>2,536,409</u>
TOTAL COMPREHENSIVE INCOME		<u>16,651,453</u>	<u>1,923,154</u>

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

District Council of Mallala

BALANCE SHEET as at 30 June 2012

	Notes	2012	2011
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,210,125	1,073,736
Trade & other receivables	5	772,547	567,763
Inventories	5	13,187	27,466
		<u>3,995,859</u>	<u>1,668,965</u>
Total Current Assets		<u>3,995,859</u>	<u>1,668,965</u>
Non-current Assets			
Equity accounted investments in Council businesses	6	4,474,272	4,875,605
Infrastructure, Property, Plant & Equipment	7	67,634,260	51,400,501
Other Non-current Assets	6	3,028,692	441,745
		<u>75,137,224</u>	<u>56,717,851</u>
Total Non-current Assets		<u>75,137,224</u>	<u>56,717,851</u>
Total Assets		<u>79,133,083</u>	<u>58,386,816</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	2,392,356	769,096
Borrowings	8	708,142	571,724
Provisions	8	852,287	833,834
		<u>3,952,785</u>	<u>2,174,654</u>
Total Current Liabilities		<u>3,952,785</u>	<u>2,174,654</u>
Non-current Liabilities			
Borrowings	8	5,270,841	2,978,983
Provisions	8	64,596	39,771
		<u>5,335,437</u>	<u>3,018,754</u>
Total Non-current Liabilities		<u>5,335,437</u>	<u>3,018,754</u>
Total Liabilities		<u>9,288,222</u>	<u>5,193,408</u>
NET ASSETS		<u>69,844,861</u>	<u>53,193,408</u>
EQUITY			
Accumulated Surplus		25,139,354	24,948,201
Asset Revaluation Reserves	9	44,516,988	27,668,073
Other Reserves	9	188,519	577,134
		<u>69,844,861</u>	<u>53,193,408</u>
Total Council Equity		<u>69,844,861</u>	<u>53,193,408</u>
TOTAL EQUITY		<u>69,844,861</u>	<u>53,193,408</u>

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

District Council of Mallala

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2012

2012	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		24,948,201	27,668,073	577,134	53,193,408
Restated opening balance		24,948,201	27,668,073	577,134	53,193,408
Net Surplus / (Deficit) for Year		(197,462)			(197,462)
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment	9		16,848,915		16,848,915
Transfers between reserves	9	388,615		(388,615)	-
Balance at end of period		25,139,354	44,516,988	188,519	69,844,861
2011					
Balance at end of previous reporting period		25,562,691	25,131,664	575,899	51,270,254
Restated opening balance		25,562,691	25,131,664	575,899	51,270,254
Net Surplus / (Deficit) for Year		(613,255)			(613,255)
Other Comprehensive Income					
Changes in revaluation surplus - infrastructure, property, plant & equipment			2,645,737		2,645,737
Share of other comprehensive income - joint ventures and associates			124,758		124,758
Impairment (expense) / recoupments offset to asset revaluation reserve			(234,086)		(234,086)
Transfers between reserves		(1,235)		1,235	-
Balance at end of period		24,948,201	27,668,073	577,134	53,193,408

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

District Council of Mallala

CASH FLOW STATEMENT for the year ended 30 June 2012

	Notes	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		6,136,408	5,701,818
Fees & other charges		305,201	276,040
User charges		1,070,736	299,694
Investment receipts		38,018	67,332
Grants utilised for operating purposes		1,805,425	1,539,345
Reimbursements		464,644	640,681
Other revenues		157,785	310,271
<u>Payments</u>			
Employee Costs		(3,626,828)	(3,291,219)
Materials, contracts & other expenses		(2,670,414)	(3,997,444)
Finance payments		(265,445)	(265,005)
Net Cash provided by (or used in) Operating Activities		3,415,530	1,281,513
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		208,808	260,397
Sale of replaced assets		325,803	389,636
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(3,523,291)	(1,036,664)
Expenditure on new/upgraded assets		(718,737)	(482,985)
Net Cash provided by (or used in) Investing Activities		(3,707,417)	(869,616)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings		3,000,000	
<u>Payments</u>			
Repayments of Borrowings		(571,724)	(597,569)
Net Cash provided by (or used in) Financing Activities		2,428,276	(597,569)
Net Increase (Decrease) in cash held		2,136,389	(185,672)
Cash & cash equivalents at beginning of period	11	<u>1,073,736</u>	<u>1,259,408</u>
Cash & cash equivalents at end of period	11	<u>3,210,125</u>	<u>1,073,736</u>

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

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

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 equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The financial report was authorised for issue by certificate under clause 11 of the Local Government (Financial Management) Regulations 1999.

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 AIFRS 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 this Note.

1.4 Rounding

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

2 The Local Government Reporting Entity

The District Council of Mallala is incorporated under the SA Local Government Act 1999 and has its principal place of business at 2A Wasleys Road, Mallala. These financial statements include the consolidated fund 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.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports. A separate statement of moneys held in the Trust Fund is available for inspection at the Council Office by any person free of charge.

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.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 1 (cont) - SIGNIFICANT ACCOUNTING POLICIES

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

5 Inventories

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

5.1 Real Estate Assets Developments

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

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

5.2 Other Real Estate held for resale

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

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

6 Infrastructure, Property, Plant & Equipment

6.1 Transitional Provisions

As at 1 July 2008, Council has elected not to recognise any values for land under roads acquired before the commencement of AASB 1051 Land Under Roads. Details of the effects of this election are given in Note 7.

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".

6.2 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 1 (cont) - SIGNIFICANT ACCOUNTING POLICIES

6.2 Initial Recognition (cont...)

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.

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

6.3 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 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
Buildings - new construction/extensions	\$10,000
Park & Playground Furniture & Equipment	\$ 2,000
Road construction & reconstruction	\$10,000
Paving & footpaths, Kerb & Gutter	\$ 2,000
Drains & Culverts	\$ 5,000
Reticulation extensions	\$ 5,000
Sidelines & household connections	\$ 5,000

6.4 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. Further detail of existing valuations, methods and valuers are provided at Note 7.

6.5 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to 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.

Plant, Furniture & Equipment

> Office Equipment	3 to 10 years
> Office Furniture	10 to 20 years
> Vehicles and Road-making Equip	5 to 8 years
> Other Plant & Equipment	5 to 15 years

Building & Other Structures

> Buildings – masonry	50 to 100 years
> Buildings – other construction	20 to 40 years
> Park Structures – masonry	50 to 100 years
> Park Structures – other construction	20 to 40 years
> Playground equipment	5 to 15 years
> Benches, seats, etc	10 to 20 years

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 1 (cont) - SIGNIFICANT ACCOUNTING POLICIES

6.5 Depreciation of Non-Current Assets (cont...)

Infrastructure

> Sealed Roads – Surface	15 to 25 years
> Sealed Roads – Structure	20 to 50 years
> Unsealed Roads	10 to 20 years
> Bridges – Concrete	80 to 100 years
> Paving & Footpaths, Kerb & Gutter	80 to 100 years
> Drains	80 to 100 years
> Culverts	50 to 75 years
> Flood Control Structures	80 to 100 years
> Dams and Reservoirs	80 to 100 years
> Bores	20 to 40 years
> Reticulation Pipes – PVC	70 to 80 years
> Reticulation Pipes – other	25 to 75 years
> Pumps & Telemetry	15 to 25 years

Other Assets

> Library Books	10 to 15 years
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6.6 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if 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.

6.7 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to 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

Loans 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.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 1 (cont) - SIGNIFICANT ACCOUNTING POLICIES

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 average discount rate 5.67% (2011, 5.73%)

Weighted average settlement period 5 years (2011, 5 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 Local Government 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 Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. 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

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

12 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 as assets under lease, 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.

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.

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.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 1 (cont) - SIGNIFICANT ACCOUNTING POLICIES

14 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2012 reporting period and have not been used in preparing these reports.

AASB 9	Financial Instruments
AASB 10	Consolidated Financial Statements
AASB 11	Joint Arrangements
AASB 12	Disclosure of Interests in Other Entities
AASB 13	Fair Value Measurement
AASB 119	Employee Benefits
AASB 127	Separate Financial Statements
AASB 128	Investments in Associates and Joint Ventures
AASB 2010-6	Amendments to Australian Accounting Standards [AASBs 1 & 7]
AASB 2010-7	Amendments to Australian Accounting Standards arising from AASB 9 [AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023, & 1038 and Interpretations 2, 5, 10, 12, 19, & 127]
AASB 2011-1	Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]
AASB 2011-5	Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, AASB 128 & AASB 131]
AASB 2011-7	Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]
AASB 2011-8	Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]
AASB 2011-9	Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]
AASB 2011-10	Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14]
AASB 2011-12	Amendments to Australian Accounting Standards arising from Interpretation 20 [AASB 1] (Standards not affecting local government have been excluded from the above list.)

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

The Australian Accounting Standards Board is currently reviewing AASB 1004 Contributions. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 2 - INCOME

	2012	2011
	Notes	
RATES REVENUES		
<u>General Rates</u>	6,049,036	5,584,204
Less: Discretionary rebates, remissions & write offs	(57,905)	(52,955)
	5,991,131	5,531,249
<u>Other Rates</u> (including service charges)		
Natural Resource Management levy	128,223	124,298
Community wastewater management systems	18,620	17,770
	146,843	142,068
<u>Other Charges</u>		
Penalties for late payment	48,864	37,231
Legal & other costs recovered	41,635	27,122
	90,499	64,353
	6,228,473	5,737,670
STATUTORY CHARGES		
Development Act fees	129,875	104,057
Health & Septic Tank Inspection fees	25,661	31,208
Animal registration fees & fines	109,608	108,244
Other licences, fees, & fines	17,595	12,216
	282,739	255,724
USER CHARGES		
Cemetery/crematoria fees	20,119	22,147
Aged Housing Rental	0	1,784
Museum Admission Fees	4,915	2,554
Hall & equipment hire	2,395	2,861
Rubbish/Recycling collection fees	36,630	40,171
Sales - general	625	1,032
Subsidies received on behalf of users	9,035	8,875
Sundry	9,796	8,464
	83,515	87,887
INVESTMENT INCOME		
Interest on investments		
Local Government Finance Authority	40,632	60,371
Banks & other	4,804	7,827
	45,436	68,198

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

NOTE 2 - INCOME (continued)

	2012	2011
	Notes	
REIMBURSEMENTS		
- for roadworks	182,907	353,528
- by joint undertakings	<u>247,263</u>	<u>228,909</u>
	<u>430,170</u>	<u>582,437</u>
OTHER INCOME		
Rebates received	15,319	18,934
Sundry	<u>22,849</u>	<u>27,424</u>
	<u>38,168</u>	<u>46,358</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Amounts received specifically for new or upgraded assets	208,808	260,397
Other grants, subsidies and contributions	1,483,519	1,431,949
Individually significant item - additional Grants Commission payment	see below <u>321,906</u>	
	<u>2,014,233</u>	<u>1,692,346</u>
<i>The functions to which these grants relate are shown in Note 2.</i>		
Sources of grants		
Commonwealth government	188,000	260,397
State government	<u>1,826,233</u>	<u>1,431,949</u>
	<u>2,014,233</u>	<u>1,692,346</u>

Individually Significant Item

In June 2009, Council received payment of the first instalment of the 2009/10 Grant Commission (FAG) grant. Similarly, on 28 June 2012 Council received payment of the first *two* instalments of the 2012/13 grant.

	321,906	0
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This has materially increased Council's operating results in the current year, as these amounts are recognised as income upon receipt.

Similarly material adverse effects will be experienced when the timing of these grant payments is restored to normal schedule. This will occur in 2012-13.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

NOTE 2 - INCOME (continued)

	2012	2011
Notes		
Conditions over grants & contributions		
<i>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:</i>		
<i>Unexpended at the close of the previous reporting period</i>	79,000	
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>		
<i>Heritage & Cultural Services</i>	<u>(79,000)</u>	
<i>Subtotal</i>	<u>(79,000)</u>	
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
<i>Heritage & Cultural Services</i>		79,000
<i>Subtotal</i>		<u>79,000</u>
<i>Unexpended at the close of this reporting period</i>		<u>79,000</u>
 <i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>	 <u>(79,000)</u>	 <u>79,000</u>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 3 - EXPENSES

	Notes	2012	2011
EMPLOYEE COSTS			
Salaries and Wages		2,980,156	2,736,750
Employee leave expense		439,662	328,799
Superannuation - defined contribution plan contributions	18	297,175	294,839
Workers' Compensation Insurance		157,732	121,623
Less: Capitalised and distributed costs		<u>(114,321)</u>	<u>(87,620)</u>
Total Operating Employee Costs		<u>3,760,404</u>	<u>3,394,391</u>
Total Number of Employees		52	51
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
<u>Auditor's Remuneration</u>			
- Auditing the financial reports		9,000	5,740
Bad and Doubtful Debts		-	15,000
Elected members' expenses		128,423	125,960
Operating Lease Rentals - cancellable leases		<u>15,382</u>	<u>5,488</u>
Subtotal - Prescribed Expenses		<u>152,805</u>	<u>152,188</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		540,857	617,231
Energy		441,595	372,453
Individually Significant Items		-	500,000
Maintenance		153,658	293,376
Legal Expenses		155,665	182,971
Levies paid to government - NRM levy		128,368	124,333
- Other Levies		54,519	52,398
Parts, accessories & consumables		292,169	401,159
Professional services		346,431	393,211
Sundry		<u>649,260</u>	<u>568,726</u>
Subtotal - Other Materials, Contracts & Expenses		<u>2,762,522</u>	<u>3,505,858</u>
		<u>2,915,327</u>	<u>3,658,046</u>
INDIVIDUALLY SIGNIFICANT ITEMS			
Provision for landfill remediation at Coleman Road		<u>-</u>	<u>500,000</u>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 3 - EXPENSES (cont)

	Notes	2012	2011
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Land & Landscape		14,096	13,465
Buildings & Other Structures		537,218	303,589
Roads Infrastructure		904,349	852,004
Other Infrastructure		93,368	92,549
Plant, Equipment & Furniture		416,079	337,398
Impairment			
Buildings, Pavement & Structures		-	9,500
Roads Infrastructure		-	224,586
		<u>1,965,110</u>	<u>1,833,091</u>
Less: Impairment expense offset to asset revaluation reserve	9	-	(234,086)
		<u>1,965,110</u>	<u>1,599,005</u>
 FINANCE COSTS			
Interest on Loans		<u>265,445</u>	<u>265,309</u>
		<u>265,445</u>	<u>265,309</u>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2012	2011
	Notes	
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	325,803	389,636
Less: Carrying amount of assets sold	338,380	559,869
Gain (Loss) on disposal	<u>(12,577)</u>	<u>(170,233)</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	<u>(12,577)</u>	<u>(170,233)</u>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 5 - CURRENT ASSETS

	2012	2011
CASH & EQUIVALENT ASSETS	Notes	
Cash on Hand and at Bank	119,788	139,384
Deposits at Call	3,090,337	934,352
	<u>3,210,125</u>	<u>1,073,736</u>
 TRADE & OTHER RECEIVABLES		
Rates - General & Other	372,552	280,487
Accrued Revenues	20,271	12,853
Debtors - general	24,075	53,988
GST Recoupment	277,522	134,439
Prepayments	69,584	85,996
Sundry	8,543	-
Total	<u>772,547</u>	<u>567,763</u>
	<u>772,547</u>	<u>567,763</u>
 INVENTORIES		
Stores & Materials	13,187	27,466
	<u>13,187</u>	<u>27,466</u>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 6 - NON-CURRENT ASSETS

		2012	2011
FINANCIAL ASSETS	Notes		
EQUITY ACCOUNTED INVESTMENTS IN COUNCIL BUSINESSES			
Gawler River Floodplain Management Authority	19	<u>4,474,272</u>	<u>4,875,605</u>
		<u>4,474,272</u>	<u>4,875,605</u>
OTHER NON-CURRENT ASSETS			
Inventories			
Capital Works-in-Progress		<u>3,028,692</u>	<u>441,745</u>
		<u>3,028,692</u>	<u>441,745</u>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2011				2012			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land & Landscape	9,098,267	118,133	(447,731)	8,768,669	13,190,732	130,752	(461,827)	12,859,657
Buildings & Other Structures	12,249,392	1,000,061	(8,611,100)	4,638,353	18,679,448	121,636	(9,142,097)	9,658,987
Roads Infrastructure	46,689,290	725,622	(15,486,554)	31,928,358	51,448,874	-	(12,460,781)	38,988,093
Other Infrastructure	1,564,145	3,976,734	(2,827,281)	2,713,598	1,564,145	4,021,964	(2,920,649)	2,665,460
Plant, Equipment & Furniture	-	5,769,761	(2,418,238)	3,351,523	-	6,092,367	(2,630,304)	3,462,063
TOTAL PROPERTY, PLANT & EQUIPMENT	69,601,094	11,590,311	(29,790,904)	51,400,501	84,883,199	10,366,719	(27,615,658)	67,634,260
<i>Comparatives</i>	<i>68,902,826</i>	<i>13,848,283</i>	<i>(33,240,487)</i>	<i>49,510,622</i>	<i>69,601,094</i>	<i>11,590,311</i>	<i>(29,790,904)</i>	<i>51,400,501</i>

This Note continues on the following pages.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 7 (cont) - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	CARRYING AMOUNT MOVEMENTS DURING YEAR							2012	
	2011	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation	CARRYING AMOUNT
	CARRYING AMOUNT	New/Upgrade	Renewals						
Land & Landscape	8,768,669	12,619	-	-	(14,096)	-	-	4,092,465	12,859,657
Buildings & Other Structures	4,638,353	-	121,636	-	(537,218)	-	-	5,436,216	9,658,987
Roads Infrastructure	31,928,358	575,957	67,893	-	(904,349)	-	-	7,320,234	38,988,093
Other Infrastructure	2,713,598	45,230	-	-	(93,368)	-	-	-	2,665,460
Plant, Equipment & Furniture	3,351,523	63,230	801,769	(338,380)	(416,079)	-	-	-	3,462,063
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	51,400,501	697,036	991,298	(338,380)	(1,965,110)	-	-	16,848,915	67,634,260
Comparatives	49,510,622	482,985	1,154,117	(559,869)	(1,599,005)	(234,086)	2,645,737	51,400,501	

This Note continues on the following pages.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 7 (cont) - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

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 additions at cost, this remains as the basis of recognition of non-material asset classes.

Land & Landscaping

Pursuant to Council's election, freehold land and land over which Council has control, but does not have title, are initially recognised on the cost basis. A revaluation of land was done at fair value as at 01 July 2011 by Maloney Field Services.

No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 1997 at current replacement cost. A revaluation was done at fair value as at 1 June 2007. Acquisitions after that are recognised at cost. Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset.

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

Buildings, Pavement & Structures

Buildings and other structures generally are recognised at fair value, based on current market values. However, special purpose buildings (such as public toilets) for which there is no market are valued at depreciated current replacement cost. Buildings which Council does not intend to replace at the end of their useful life are valued at the market value of the "highest and best" use. These assets were revalued as at 01 July 2011 by Graham L Martin, BBus Property (Val) AAPI, CPV, of Maloney Field Services.

Road Infrastructure

Road Infrastructure assets, kerbing and footpaths were valued by Council officers at written down current replacement cost as at 1 July 2011, all acquisitions after that date are recorded at cost. Bridges and culverts are also included here but were not subject to revaluation and maintain the valuation from 30 June 2007. All acquisitions made after the respective dates of valuation are recorded at cost.

Other Infrastructure

Stormwater drainage infrastructure was valued by Council officers as at 1 July 2010 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2010 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management scheme at Middle Beach was valued by Environmental Water Services at written down current replacement cost during the reporting period ended 30 June 2010 and pursuant to Council's election are disclosed at Depreciated replacement cost. No change in value has resulted but useful life has been reassessed with a corresponding change in rate of depreciation. All acquisitions made after the respective dates of valuation are recorded at cost.

Equipment & Furniture and All other Assets

Pursuant to Council's election, these assets are recognised on the cost basis.

Future Reinstatement Costs

The remediation of a landfill site on Coleman Road has been estimated by Tonkins Engineering on May 8, 2012 at \$464,232 based on an environmental survey.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 8 - LIABILITIES

	2012		2011		
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		678,564		248,054	
Payments received in advance		950,000		-	
Accrued expenses - employee entitlements		444,441		354,143	
Accrued expenses - other		250,709		110,855	
Deposits, Retentions & Bonds		-		38,349	
Other		68,642		17,695	
		2,392,356	-	769,096	-
BORROWINGS					
Loans		708,142	5,270,841	571,724	2,978,983
		708,142	5,270,841	571,724	2,978,983

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

PROVISIONS

Employee entitlements (including oncosts)		352,287	64,596	333,834	39,771
Future reinstatement / restoration, etc		500,000	-	500,000	-
		852,287	64,596	833,834	39,771

Movements in Provisions - 2012 year only (current & non-current)

		Future Reinstatement	Other Provision
Opening Balance		500,000	373,605
Add Unwinding of present value discounts			21,183
Additional amounts recognised			117,655
(Less) Payments			(63,994)
Unused amounts reversed			(4,418)
Add (Less) Remeasurement Adjustments			(27,148)
Closing Balance		500,000	416,883

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2011	Net Increments (Decrements)	Transfers, Impairments	30/6/2012
Notes	0	0	0	0
Land & Landscape	4,812,165	4,092,465		8,904,630
Land Improvements	2,600,375			2,600,375
Buildings & Other Structures	1,014,349	5,436,216		6,450,565
Roads Infrastructure	19,116,426	7,320,234		26,436,660
Joint Ventures - Other	124,758			124,758
Comprehensive Income				
TOTAL	27,668,073	16,848,915		44,516,988
<i>Comparatives</i>	<i>25,131,664</i>	<i>3,198,893</i>	<i>(662,484)</i>	<i>27,668,073</i>

OTHER RESERVES	1/7/2011	Transfers to Reserve	Transfers from Reserve	30/6/2012
Building Maintenance Reserve	25,843			25,843
Home for the Aged Reserve	66,971		(66,971)	0
CWMS Reserve - Middle Beach	48,917			48,917
Community Infrastructure Reserve	141,987		(141,987)	0
Unexpected Specific Grants Reserve	11,032			11,032
Drainage Fund Reserve	265,261	44,004	(265,261)	44,004
Roads Contribution Reserve	17,123			17,123
Footpath Construction Reserve		41,600		41,600
TOTAL OTHER RESERVES	577,134	85,604	(474,219)	188,519
<i>Comparatives</i>	<i>575,899</i>	<i>46,077</i>	<i>(44,842)</i>	<i>577,134</i>

PURPOSES OF RESERVES

Asset Revaluation Reserve

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).

(Other Reserves)

The **Building Maintenance Reserve** is used for adhoc expenditure for buildings

The **Home for the Aged Reserve** is funds received from residents of the aged units in Mallala, these funds may need to be returned to tenants upon their departure

The **CWMS Reserve [previously STEDS]** is rate revenue received in excess of annual expenditure held for future maintenance of the scheme

The **Community Infrastructure Reserve** is funds held pending for CWMS studies.

The **Unexpected Specific Grants Reserve** is funds received from the developer for reserve development in the Aunger subdivision

Drainage Fund Reserve is funds received from developers and held for future construction of drainage

Roads Contribution Reserve is funds received from developers and held for future provision of roads

Footpath Construction Reserve is funds received from developers and held for future footpath construction.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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.

	Notes	2012	2011
CASH & FINANCIAL ASSETS			
Developer Contributions		41,600	0
Unexpended amounts received from other levels of Government		11,032	11,032
CWMS Scheme		48,917	48,917
Homes for the Aged		0	66,971
		<u>101,549</u>	<u>126,920</u>
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		<u>101,549</u>	<u>126,920</u>

Developer Contributions are restricted to either open space landscaping or footpaths in the applicable developments.

Unexpended amounts are restricted to maintenance of the asset the grant was originally attached to.

CWMS Scheme are restricted to design and engineering of CWMS facilities.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 11 - 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:

	2012	2011
Total cash & equivalent assets	Notes 5 3,210,125	1,073,736
Balances per Cash Flow Statement	<u>3,210,125</u>	<u>1,073,736</u>

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

Net Surplus (Deficit)	(197,462)	(613,255)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,965,110	1,599,005
Equity movements in equity accounted investments (increase) decrease	401,333	(3,109)
Net increase (decrease) in unpaid employee benefits	112,393	103,172
Premiums & discounts recognised & unwound	21,183	
Grants for capital acquisitions treated as Investing Activity	(208,808)	(260,397)
Net (Gain) Loss on Disposals	12,577	170,233
	<u>2,106,326</u>	<u>995,649</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(204,784)	312,294
Net (increase) decrease in inventories	14,279	(10,330)
Net increase (decrease) in trade & other payables	1,431,067	(16,100)
Net increase (decrease) in other provisions	68,642	
Net Cash provided by (or used in) operations	<u>3,415,530</u>	<u>1,281,513</u>

(c) Non-Cash Financing and Investing Activities

- Estimated future reinstatement etc. costs	-	500,000
	<u>-</u>	<u>500,000</u>

(d) Financing Arrangements

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

Corporate Credit Cards	15,000	15,000
LGFA Cash Advance Debenture facility	1,000,000	1,000,000

Council has immediate access to a short-term draw-down facility, and variable interest rate borrowings under a cash advance facility, both from the Local Government Finance Authority of SA.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES										
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2012	2011	2012	2011
	2012	2011	2012	2011	2012	2011				
Business Undertakings	283,452	261,174	341,981	327,620	(58,529)	(66,446)	-	-	909,674	671,185
Public Order & Safety	3,176	2,926	51,547	49,382	(48,371)	(46,456)	-	-	299,558	221,023
Health Services	262	241	48,676	46,632	(48,415)	(46,391)	-	-	-	-
Community Support	73,684	67,893	488,321	467,814	(414,636)	(399,921)	-	-	2,337,820	1,724,915
Community Amenities	27,132	25,000	157,786	151,160	(130,654)	(126,160)	-	58,000	782,505	577,356
Library Services	33,108	30,506	292,329	280,053	(259,221)	(249,547)	27,730	28,111	50,684	37,396
Cultural Services	7,509	6,919	112,118	107,410	(104,609)	(100,491)	-	-	1,486,066	1,096,465
Economic Development	1,110	1,023	154,590	148,098	(153,480)	(147,075)	-	-	-	-
Enviro - Agricultural Services	-	-	30,867	29,571	(30,867)	(29,571)	-	-	-	-
Enviro - Waste Management	79,766	73,497	1,050,198	1,006,096	(970,432)	(932,599)	-	-	1,000,986	738,558
Other Environment	-	-	437,846	419,459	(437,846)	(419,459)	-	-	12,744,345	9,403,170
Recreation	52,351	48,236	362,023	346,820	(309,672)	(298,584)	-	21,000	8,223,062	6,067,227
Regulatory Services	276,843	255,084	1,070,125	1,025,186	(793,283)	(770,102)	-	-	216,643	159,846
Transport	667,101	614,670	2,560,653	2,453,120	(1,893,552)	(1,838,450)	563,059	422,126	42,061,281	31,034,102
Plant Hire & Depot/Indirect	963	887	70,891	67,914	(69,928)	(67,027)	-	-	5,400,989	3,985,015
Governance	2,291	2,111	1,152,555	1,104,154	(1,150,264)	(1,102,043)	-	-	2,393,048	1,765,664
Support Services	7,405,178	6,823,165	925,112	886,262	6,480,067	5,936,903	1,423,444	1,163,109	1,226,422	904,892
TOTALS	8,913,926	8,213,332	9,307,619	8,916,751	(393,693)	(703,419)	2,014,233	1,692,346	79,133,083	58,386,814

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

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 12 (cont) - COMPONENTS of FUNCTIONS

The activities relating to Council functions are as follows:

Business Undertakings

Abattoirs, camping facilities, Gravel Pits/Quarries, Markets/Saleyards, Private Works, and Sewerage/CWMS,

Public Order & Safety

Crime Prevention, Emergency Services, Other Fire Protection

Health Services

Pest Control – Health, Immunisation, Nursing Homes, Preventive Health Services

Community Support

Elderly Citizens Facilities, Home Assistance Scheme, Other Services for the Aged and Disabled, Child and youth Services, Community Assistance, Community Transport, Family and Neighbourhood Support,

Community Amenities

Cemeteries/Crematoria, public Conveniences, Car Parking – non-fee-paying and Other Community Amenities.

Library Services

Provision of three static facilities

Cultural Services

Cultural Services, Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services.

Economic Development

Employment Creation Programs, Regional Development, Support to Local Businesses, Tourism, and Other Economic Development.

Environment - Agricultural Services

Agricultural Services, Agricultural Water, Animal/Plant Boards, Landcare, Other Agricultural Services.

Environment - Waste Management

Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management

Other Environment

Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

Recreation

Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – Outdoor,

Regulatory Services

Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Health Inspection, Parking Control, and Other Regulatory Services.

Transport

Footpaths and Kerbing, Roads – sealed, Roads – formed, Roads – natural formed, Roads – unformed, Traffic Management, LGGC – roads (formula funded), and Other Transport.

Plant Hire & Depot /Indirect

Plant and equipment, indirect expenditure and depot operations

Governance

Council Administration n.e.c., Elected Members, Organisational.

Support Services

Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose, and Separate and Special Rates.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 13 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 1.1% and 4.25% (2011: 1.3% and 4.75%). Short term deposits have an average maturity of 30 days and an average interest rates of 2.25% (2011: 30 days, 1.75%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
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.	<p>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.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of 9% (2011: 9%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>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.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>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 the Governments of the Commonwealth & State.</p> <p>Carrying amount: approximates fair value.</p>
Receivables - Retirement Home Contributions	<p>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.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</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 Council.</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 on credit foncier terms; interest is charged at fixed rates between 5.55% and 8.40% (2011: 5.55% and 8.40%)</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 117.</p>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2012	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
Cash & Equivalents	3,210,125			3,210,125	3,210,125
Receivables	427,329			427,329	399,995
Total	3,637,454	-	-	3,637,454	3,610,120
Financial Liabilities					
Payables	1,655,897			1,655,897	1,628,564
Current Borrowings	1,080,479			1,080,479	708,142
Non-Current Borrowings		2,709,063	4,076,642	6,785,705	5,270,841
Total	2,736,376	2,709,063	4,076,642	9,522,081	7,607,547
2011	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
Cash & Equivalents	1,073,736			1,073,736	1,073,736
Receivables	287,276			287,276	287,276
Total	1,361,012	-	-	1,361,012	1,361,012
Financial Liabilities					
Payables	564,496			564,496	304,098
Current Borrowings	804,957			804,957	571,724
Non-Current Borrowings		2,183,813	1,668,048	3,851,861	2,978,983
Total	1,369,453	2,183,813	1,668,048	5,221,314	3,854,805

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

	30 June 2012		30 June 2011	
	Weighted Average Interest Rate %	Carrying Value	Weighted Average Interest Rate %	Carrying Value
Fixed Interest Rates	6.48	5,978,983	6.91	3,487,561
		<u>5,978,983</u>		<u>3,487,561</u>

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.

Risk Exposures

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

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

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

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

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 14 - COMMITMENTS FOR EXPENDITURE

	2012	2011
	<u>Notes</u>	
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	603,885	
Plant & Equipment	182,600	70,760
	<u>786,485</u>	<u>70,760</u>
These expenditures are payable:		
Not later than one year	786,485	70,760
	<u>786,485</u>	<u>70,760</u>
Other Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	36,000	45,000
Waste Management Services	-	139,745
Employee Remuneration Contracts	1,355,712	380,243
Other	165,452	176,090
	<u>1,557,164</u>	<u>741,078</u>
These expenditures are payable:		
Not later than one year	463,243	705,078
Later than one year and not later than 5 years	1,093,921	36,000
	<u>1,557,164</u>	<u>741,078</u>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 15 - FINANCIAL INDICATORS

2012 2011 2010

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. Detailed methods of calculation are set out in the SA Model Statements.

Operating Surplus Ratio

<u>Operating Surplus</u>	(6%)	(13%)	6%
Rates - general & other less NRM levy			

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

Adjusted Operating Surplus Ratio	(12%)	(13%)	6%
---	-------	-------	----

In each of June 2009, 2010 and 2011 the Commonwealth Government made an advance of one quarterly payment of the Financial Assistance Grant. In June 2012 an advance of two quarterly payments was made (see Note 2). Accordingly there were four "quarterly" payments in 2010 and 2011, and five payments in 2012. The Adjusted Operating Surplus Ratio adjusts for this distortion.

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	60%	44%	40%
Total Operating Revenue less NRM levy			

Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue (excluding NRM levy).

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	163%	40%	114%
Infrastructure & Asset Management Plan required expenditure	*	*	*

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

Amounts shown above an asterisk () indicate that depreciation expense has been used as a proxy, pending finalisation of the Infrastructure & Asset Management Plan.*

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 16 - UNIFORM PRESENTATION OF FINANCES

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.

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

	2012	2011
	0	0
Income	8,913,926	8,213,332
<i>less</i> Expenses	<u>9,307,619</u>	<u>8,916,751</u>
Operating Surplus / (Deficit)	(393,693)	(703,419)
<i>less</i> Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	3,523,291	1,036,664
<i>less</i> Depreciation, Amortisation and Impairment	1,965,110	1,599,005
<i>less</i> Proceeds from Sale of Replaced Assets	<u>325,803</u>	<u>389,636</u>
	1,232,378	(951,977)
<i>less</i> Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	718,737	482,985
<i>less</i> Amounts received specifically for New and Upgraded Assets	208,808	260,397
	<u>509,929</u>	<u>222,588</u>
Net Lending / (Borrowing) for Financial Year	<u>(2,136,000)</u>	<u>25,970</u>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 17 - OPERATING LEASES

Lease payment commitments of Council

Council has entered into non-cancellable operating leases for 3 photocopiers.

No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

Leases in relation to the photocopier equipment permit Council, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

No lease contains any escalation clause.

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

	2012	2011
Not later than one year	10,648	7,608
Later than one year and not later than 5 years	<u>26,464</u>	<u>19,020</u>
	<u>37,112</u>	<u>26,628</u>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 18 - SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector have the option to contribute to Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis, with employer contributions based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2011/12 for marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2010/11). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the fund.

Salarylink (Defined Benefit) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Scheme's Trustee based on advice from the Scheme's Actuary. The rate is currently 6.3% (6.3% in 2010/11) of "superannuation" salary. Given that Employer contributions are based on a fixed percentage of employee earnings in accordance with the superannuation guarantee legislation, the remaining 3% for Salarylink members is allocated to their Marketlink account. Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet the member's benefits as defined in the Trust Deed as they accrue.

The Salarylink Plan is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, 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 Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2011. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 19 - JOINT VENTURES & ASSOCIATED ENTITIES

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

Section 43 of the Local Government Act 1999, provides that Councils may establish a regional subsidiary to carry out joint projects, functions or activities of the Councils

Central Local Government Region of South Australia

The District Council of Mallala is a member of the Central Local Government Region of South Australia, referred to in this report as the "Subsidiary".

- undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level
- facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving improvement for the benefit of the communities of its Constituent Councils.
- develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community;
- develop further co-operation between its Constituent Councils for the benefit of the communities of the region;
- develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities of the region;
- undertake projects and activities that benefit the region and its communities;
- associate, collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest.

During the 2011-12 year Council Subsidiary contributions were \$9,493

Gawler River Floodplain Management Authority (GRFMA)

The GRFMA has been established for the following purposes:

1. To coordinate the construction, operation and maintenance of flood mitigation infrastructure in the Gawler River area (the Floodplain);
2. To raise finance for the purpose of developing, managing and operating and maintaining flood mitigation works within the Floodplain;
3. To provide a forum for the discussion and consideration of topics relating to the Constituent Council's obligations and responsibilities in relation to management of flood mitigation within the Floodplain;
4. To enter into agreements with Constituent Councils for the purpose of managing and developing the Floodplain.

During the 2011-12 year Council Subsidiary contributions were for a subscription of \$5,000.

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 19 (cont) - JOINT VENTURES & ASSOCIATED ENTITIES

	2012	2011
Gawler River Floodplain Management Authority	\$	\$
Council's respective interests are:		
- interest in outputs of the joint operation	28%	28%
- ownership interest in the joint operation	28%	28%
- the proportion of voting power in the joint operation	28%	28%
<u>Movements in Investment in Joint Operation</u>	\$	\$
Opening Balance	4,875,605	4,747,738
Share in Operating Result	(401,333)	3,109
Share in other comprehensive income	-	124,758
Share in Equity of Joint Operation	<u>4,474,272</u>	<u>4,875,605</u>

District Council of Mallala

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 20 - 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 of those items is considered relevant to user of the financial report in making and evaluating decisions about the allocation of scarce resources.

1 LAND UNDER ROADS

As reported elsewhere in these 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 these 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 957 km of road reserves of average width 9 metres.

2 BANK GUARANTEES

Council has guaranteed an amount of \$36,000 for a lease on a rubble pit (6143 EML) (2010: \$36,000) at reporting date.

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

3 LEGAL EXPENSES

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 is unaware of any appeals against planning decisions made prior to reporting date.

4 POTENTIAL INSURANCES 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 a deductible "insurance excess", 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.

DISTRICT COUNCIL of MALLALA

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2012**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of SA Model Council for the year ended 30 June 2012, the Council's Auditor, Ian McDonald, 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*.


.....
Charles Mansueto
CHIEF EXECUTIVE OFFICER


.....
John Comrie
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 15 NOVEMBER 2012



19 November 2012

E-MAILED
KH 22/11

DATE 21/11/12
CON NO.
RECORDS USE ONLY

Mr Charles Mansueto
Chief Executive Officer
District Council of Mallala
PO Box 18
MALLALA SA 5502

Dear Charles

Please be advised that I have signed the audit report for the financial statements of your Council for the year ended 30 June 2012.

Enclosed is the audit report and a copy of the report to the Mayor and presiding member of the Audit Committee.

If further information is required please do not hesitate to contact me on 0419620906.

Yours sincerely

Ian Mc Donald

Enc.

Liability limited by a scheme approved under Professional Standards Legislation

1st Floor,
206 Greenhill Road,
Eastwood, SA, 5063

PO Box 75
Henley Beach
SA 5022

Mobile: 0419 620 906
Residence: 8356 0825
Facsimile: 8356 6397

19 November 2012

Mayor Marcus Strudwicke
District Council of Mallala
PO Box 18
MALLALA SA 5502

Dear Mayor Strudwicke

Please be advised that we have now completed the external financial audit of your Council for the financial year ended 30 June 2012.

The audit opinion has been signed without qualification.

1. Report on Matters Arising from the Audit

There is no matter that requires a report to the Minister.

We are satisfied with the action taken in relation to our audit communication during the year.

The Auditor's Independence Declaration has been provided to the Chief Executive Officer.

2. Adequacy of the Internal Control Environment

In our opinion Council's internal control environment is adequate.

A review of the internal control framework documentation should be undertaken annually.

3. Financial Statements

We have finalised the audit of the financial statements and have found no areas of concern.

Based on the Financial Indicators Council's sustainability is reported as follows;

The Operating Deficit before capital amounts was \$0.4m (2011 \$0.7m).

Net Financial Liabilities increased from \$3.6m in 2011 to \$5.3m.

The Commonwealth Government made another advance payment approximately equal to one quarter of the 2012/2013 financial assistance grant. This meant five payments were received during the year. This year only two payments will be received.

Council also received \$0.95m for CWMS works. This has accounted for as amount received in advance so it has not inflated the income. However this amount is reflected in the increased cash balance.

Council also had to bring to account a \$0.4m share of the loss for the Gawler River Floodplain Management Authority.

During the year Council cash expenditure on the renewal of assets represented 163% of the annual depreciation expense. This is mainly due to the work in progress on the Depot upgrade. In the current year some of this expenditure is likely to be reclassified as new or upgraded assets. Council also spent a further 25% (net of Grants) on new and upgraded assets. It is recommended that the Long Term Financial Plan fully fund the annual asset renewal as per the infrastructure and Asset Management Plans. This may not in the short term correlate with the annual depreciation expense.

4. Waste Disposal Site Remediation

There was no change in the \$0.5m provision for the remediation of the existing waste disposal sites.

5. Asset Revaluations

A land, buildings and structures revaluation was brought to account as at 1 July 2011.

Council also undertook a further revaluation of the transportation assets this year.

Since the end of the year the buildings, structures and transportation asset data has been transferred to the "Conquest" asset register sourced from *Tonkin Consulting*.

As a result of the revaluations the total annual depreciation expense has increased from \$1.6m to \$2m.

Please do not hesitate to contact me on 0419620906 if further information is required.

Yours sincerely



Ian Mc Donald

Cc: Audit Committee Chairperson
Chief Executive Officer

DISTRICT COUNCIL OF MALLALA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of District Council of Mallala for the year ended 30 June 2012, 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*.



Ian G McDonald FCA

Dated this 15 day of November 2012

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE DISTRICT COUNCIL OF MALLALA**

I have audited the accompanying financial report of the District Council of Mallala which comprises the balance sheet as at 30 June 2012 and the statement of comprehensive income, statement of changes in equity, cash flow statement, summary of significant accounting policies, other explanatory notes and the certification of financial statement for the year ended 30 June 2012.

Chief Executive Officer's Responsibility for the Financial Report

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011. 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

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 Board of Management, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit I followed applicable independence requirements of Australian professional and ethical pronouncements and the Local Government Act 1999.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the District Council of Mallala as of 30 June 2012, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011

A handwritten signature in cursive script, appearing to read 'Ian G McDonald'.

**IAN G MC DONALD FCA
CHARTERED ACCOUNTANT
REGISTERED COMPANY AUDITOR**

Liability limited by a scheme approved under Professional Standards Legislation

Signed 19 day of November 2012, at Eastwood, South Australia

1st Floor,
206 Greenhill Road,
Eastwood, SA, 5063

PO Box 75
Henley Beach
SA 5022

Mobile: 0419 620 906
Residence: 8356 0825
Facsimile: 8356 6397

Appendix 2—CLGR Annual Report 2011/12



Central

Local Government Region of South Australia

Incorporated under provisions of the Local Government Act

Annual Report for 2011 – 2012

A regional subsidiary of:

- *The Barossa Council*
- *District Council of Barunga West*
- *Clare & Gilbert Valleys Council*
- *District Council of The Copper Coast*
- *The Flinders Ranges Council*
- *Regional Council of Goyder*
- *Light Regional Council*
- *District Council of Mallala*
- *District Council of Mount Remarkable*
- *Northern Areas Council*
- *District Council of Orroroo/Carrieton*
- *District Council of Peterborough*
- *Port Pirie Regional Council*
- *Wakefield Regional Council*
- *District Council of Yorke Peninsula*

Contact Details

Postal Address:

PO Box 168
CRYSTAL BROOK SA 5523

Telephone:

(08) 8638 5557
0427 609 404

Facsimile:

(08) 8638 5551

Email:

ceo@centralregion.sa.gov.au

Website:

www.centralregion.sa.gov.au

The Central Local Government Region of South Australia

The Central Local Government Region was established in 1998 under Section 200 of the Local Government Act 1934 as a controlling authority. It now continues in existence and as a regional subsidiary of its member Councils under Part 2 of Schedule 2 of the Local Government Act 1999 by virtue of the provisions of Section 25 of the Local Government (Implementation) Act 1999.

The Central Region is established to:

- ✓ undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level
- ✓ facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving improvement for the benefit of the communities of its Constituent Councils
- ✓ develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community
- ✓ develop further co-operation between its Constituent Councils for the benefit of the communities of the region
- ✓ develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities of the region
- ✓ undertake projects and activities that benefit the region and its communities
- ✓ associate, collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest.

The Central Region is a body corporate and is governed by a Board of Management which has the responsibility to manage all activities of the Central Region and ensure that the Central Region acts in accordance with its Charter. The Board has 15 members, comprising one representative elected from each constituent Council:

- Barossa Council
- District Council of Barunga West
- Clare & Gilbert Valleys Council
- District Council of The Copper Coast
- The Flinders Ranges Council
- Regional Council of Goyder
- Light Regional Council
- District Council of Mallala
- District Council of Mount Remarkable
- Northern Areas Council
- District Council of Orroroo/Carrieton
- District Council of Peterborough
- Port Pirie Regional Council
- Wakefield Regional Council
- District Council of Yorke Peninsula

The Region's area spans the Barossa through the Clare Valley, Yorke Peninsula, Adelaide Plains, Mid and Upper North districts through to the Flinders Ranges, covering 27 per cent of the incorporated area of the State and comprises some 27 per cent of the State's population outside Adelaide.

Office Bearers for 2011/12

Chairman:	Mayor James Maitland (Wakefield)
Deputy Chairs:	Mayor Ray Agnew (Yorke Peninsula) Cr Neville Wilson (Port Pirie)
Executive Members:	Mayor Allan Aughey (Clare & Gilbert Valleys) Mayor Ruth Whittle (Peterborough)
Delegate to the LGA State Executive:	Mayor James Maitland (Wakefield) Mayor Allan Aughey (Clare & Gilbert Valleys) Mayor Ray Agnew (Yorke Peninsula) - proxy
Executive Officer:	Anita Crisp
Auditor:	Ian G. McDonald

Central Local Government Region Board of Management

The Central Local Government Region Board of Management comprises an elected delegate appointed from each of the 15 member councils. A proxy delegate is also appointed, with policy provisions allowing for representation by other elected or endorsed members.

Following the November 2010 Local Government elections, constituent Councils of the Central Local Government Region appointed the following Council delegates to the CLGR Board of Management for a term to expire at the 2014 Local Government elections, subject to the provisions within the Charter or amendment by a constituent Council:

Council	Delegate	Proxy Delegate
The Barossa Council	Mayor Brian Hurn	D/Mayor David DeVries
District Council of Barunga West	Mayor Dean Dolling	Cr Brian Rooney
District Council of the Copper Coast	Mayor Paul Thomas	D/Mayor Dean Rodda
Clare & Gilbert Valleys Council	Mayor Allan Aughey	Cr Elizabeth Calvert
Flinders Ranges Council	Mayor Peter Slattery	D/Mayor John Shute
Regional Council of Goyder	Mayor Peter Matthey	D/Mayor Judy Partington
Light Regional Council	D/Mayor Dean Rohrlach	nil
District Council of Mallala	Mayor Marcus Strudwicke	nil
District Council of Mount Remarkable	Mayor Sandra Wauchope	D/Mayor Ray Walker
Northern Areas Council	Chair Ben Browne	D/Chair Denis Clark
District Council of Orroroo Carrieton	Chair Colin Parkyn	D/Chair Malcolm Byerlee
District Council of Peterborough	Mayor Ruth Whittle	Cr Frank Hardbottle
Port Pirie Regional Council	Cr Neville Wilson	D/Mayor John Rhode
Wakefield Regional Council	Mayor James Maitland	D/Mayor Darryl Ottens
District Council of Yorke Peninsula	Mayor Ray Agnew	Cr John Rich

Meetings of the Central Region Board of Management

Four meetings of the Central Local Government Region Board of Management were held during the 2011/12, each hosted by one of the member Councils.

The meeting host and location is rotated throughout the region on alphabetical order.

Meetings were held:

- Friday 12th August 2011 – AGM, hosted by District Council of Peterborough
(Peterborough)
- Friday 4th November 2011, hosted by Port Pirie Regional Council (Port Pirie)
- Friday 10th February 2012, hosted by Wakefield Regional Council (Balakalva)
- Friday 11th May 2012, hosted by District Council of Yorke Peninsula (Ardrossan)

Committee Meetings

In accordance with its Charter, the Central Local Government Region maintains several sub committees to assist in effective project implementation and governance. The committees generally meet on an as-needs basis and comprise representatives from the various member councils along with, in many cases additional delegates from other relevant regional bodies or state government agencies:

Committee	Members	Meeting Dates
Executive Committee:	Mayor James Maitland, Mayor Ray Agnew, Cr Neville Wilson, Mayor Allan Aughey, Mayor Ruth Whittle	20 th July 2011 14 th September 2011 1 st May 2012 6 th June 2012
Audit Committee:	Mayor Ray Agnew (Chair), Cr Kathie Bowman, Dr Andrew Johnson, Mr Colin Davies	1 st September 2011 10 th February 2012
Member Councils CEO's Forums:	Mr David Morcom (Barossa), Mr Nigel Hand (Barunga West), Mr Roy Blight (Clare & Gilbert Valleys), Mr Peter Harder (Copper Coast), Mr Colin Davies (Flinders Ranges), Mr John Brak (Goyder), Mr Brian Carr (Light), Mr Charles Mansueto (Mallala), Mr Sean Cheriton (Mt Remarkable), Mr Roger Crowley (Northern Areas), Mr Iian Wilson (Orroroo/Carrieton), Mr Terry Barnes (Peterborough), Dr Andrew Johnson (Pirie Regional), Mr Phil Barry/Geoff Sheridan (Wakefield), Mr Andrew Cameron (Yorke Peninsula). Chaired by a member of the CLGR Executive	15 th July 2011 14 th October 2011 16 th December 2011 15 th April 2012
Transport Infrastructure Planning Committee:	Mr Iian Wilson - Chair (Orroroo Carrieton), Mr Grant McKenzie (Clare & Gilbert Valleys), Mr Roy O'Connor (Goyder), Mr Fred Linke (Barunga West), Mr Brenton Pearce (Mt Remarkable), Mr Len Wilton (Port Pirie), Mr Richard Pym (Copper Coast), Ms Joanne Buchanan (Regional Development), Mr Bob Bemmerl (DTEI) <i>*Flood Remediation Project Sub-Committee</i>	7 th July 2011 29 th September 2011 30 th November 2011 29 th February 2012 23 rd April 2012 *8 th February 2012 *13 th June 2012
Regional Climate Change Steering Committee:	Mr David Morcom (Barossa), Ms Anita Crisp (CLGR Executive Officer), Ms Kelly-Anne Saffin (RDA Y&MN), Ms Anne Moroney (RDA Barossa), Ms Lynne Walden/Pam Pilkington (N&Y NRM Board), Mr Mike Fretwell (Y&MN ZEMC), Mr Adam Gray (LGA) Technical Panel - Dr Jacqueline Balston, Mr Anthony Kosturjack, Dr Tim Milne, Ms Sylvia Roughan, Ms Karla Billington, Ms Melissa Rebbeck, Dr Murray Townsend	5 th August 2011 18 th August 2011 18 th October 2011 7 th November 2011
Coastal Councils Network:	Ms Aleisa Lamanna (Mallala), Mr Geoff Sheridan (Wakefield), Mr Stephen Goldsworthy (Yorke Peninsula), Mr Andy West (Copper Coast), Mr Nigel Hand (Barunga West), Patrick Clifton (Port Pirie), Muriel Scholz (Mt Remarkable). Ms Deborah Allen (Coastcare Facilitator) – ex officio	1 st August 2011 14 th December 2011 7 th May 2012
Regional Waste Management Committee:	Mayor Ruth Whittle (Chair), Mr Darren North (Pt Pirie), Ms Paula Duncan-Tiver (Northern Areas), Mr Roger Crowley (Northern Areas). Ms Vanessa Loechel (Waste Coordinator) – ex officio.	4 th November 2011 24 th February 2012 18 th May 2012
Water Project Steering Committee:	Mr Iian Wilson (Orroroo Carrieton), Mr Mark Hill (Flinders Ranges), Mr Richard Pym (Copper Coast), Cr Denis Clarke (Northern Areas). Ms Kelly-Anne Saffin/Saideh Kent (RDAY&MN), Mr Clark Inham/Ms Jennifer Munro/Kathie Bowman (Northern & Yorke NRM), Ms Kris Swaffer (DFW), Mr Paul Doherty (SA Water).	7 th July 2011 5 th August 2011 27 th October 2011 7 th May 2012
Windfarm Project Steering Committee:	Mayor Allan Aughey (C&GV), Cr Paul Kretschmer (Mt Remarkable), Gabby Swearse/Alan Thomson (NAC), Chris Gosling (Goyder). Kelly-Anne Saffin (RDA), Anne Brown (Greening Australia), Mary-Anne Young (RSSA). Mr Trevor White (Windfarm Liaison Officer) – ex officio.	10 th October 2011 24 th October 2011 7 th November 2011 30 th January 2012 18 th April 2012
Executive Officer Performance Review Committee:	Nil	Nil

Regional Forums and Workshops

In order to progress specific priorities and actions, the Central Local Government Region occasionally holds information forums or workshops to allow member councils and other relevant stakeholders to come together and discuss or learn about particular initiatives.

The forums and workshops provide an opportunity for greater awareness, understanding and engagement with various Central Local Government Region activities and increases the level of active involvement by stakeholders. The following issue-specific forums were held during the 2011/12 financial year.

29 th November 2011	Windfarm Planning Workshop, Clare
30 th January; 1 st & 3 rd February 2012	Waste Managers Sub-Regional Update Forums, Kapunda, Clare & Melrose
3 rd November 2011	Coastal Councils Annual Forum, Pt Germein
10 th November (cancelled)	2011 Regional Transport Workshop – Special Local Roads Briefing, Crystal Brook
27 th September 2011 and 24 th February 2012	LG Reform Program 'Mid North Asset Management' Sub-Regional Update, Crystal Brook
28 th July 2011	Flood Damage Briefing with LGA and LG Disaster Fund, Pt Broughton
30 th March 2012	Regional Planning Review Forum, Pt Pirie – hosted in conjunction with the Northern & Yorke Natural Resources Management Board and Regional Development Australia Yorke and Mid North
2-3 rd April 2012	National Broadband Network Sub-Regional Forums – hosted in conjunction with Regional Development Australia, Mallala, Clare, Kadina, Pt Pirie, Orroroo
3-4 th April 2012	Coastal Councils and Australian Government – Site Visits
10 th May 2012	Windfarm Industry Development Forum, Ardrossan – hosted with the Northern & Yorke Natural Resources Management Board and Regional Development Australia Barossa and Yorke/Mid North
6 th June 2012	Ngadjuri #2 Native Title Claim Forum, Burra

Achievements for 2011/12

During the 2011/12 year, the Central Region continued to progress a number of priority activities, pursued under the three key target areas identified within the strategic and business plan:

1. Board Governance and Operations

- ✓ **The operation of the Central Region subsidiary is in accordance with legislative requirements and board policy**
- ✓ **CLGR is well regarded by its member councils and stakeholders as a valid and relevant organisation**

Achievements for 2011/12

- CLGR Board meeting agendas & minutes distributed in accordance with policy.
- Application to Minister for audit committee exemption.
- Committee operations executed within terms of reference.
- Attendance section 43 regional subsidiary training seminar.
- Central Region executive support operational review.

2. Local Government Leadership and Sustainability

- ✓ **The Central Local Government Region Councils supported to collaboratively improve service delivery, resourcing & financial capacity**
- ✓ **Central Local Government Region Councils well represented & regarded at state and national Local Government levels**
- ✓ **Improved awareness & understanding of Central Region Council issues and activities by key stakeholders & political decision makers**

Achievements for 2011/12

- Allocation of \$320,000 CLGR reserve funds towards LG Reform sub-regional projects.
- Submit proposal for funding support for sub-regional projects to LGA.
- Mid North Asset Management project scoping study and project officer brief complete.
- Coordination of meetings with Flinders Shared Services Group and LGA.
- Attendance by Local Government Minister to quarterly meetings of Central Region.
- Attendance by Local Government Association (LGA) and Department of Planning and Local Government (DPLG) at Central Region quarterly meetings.
- Communications with LGA and Office of Local Government staff as required.
- Quarterly Council Chief Executive Officer's forum held.
- Coordination of Central Zone appointments to LGA State Executive Committee.
- Regional representation at SA Regional Organisation of Councils (SAROC) and LGA State Executive meetings.
- Attendance at Local Government Association SA general meetings and forums in Adelaide.
- Attendance at Australian Local Government Association assembly in Canberra.
- Communication with SAROC Executive Officers on key issues as required.
- Participation of relevant regional agencies and bodies on Central Region committees and at workshops and forums as appropriate.
- Member of Parliament briefings as required.
- Monthly newsletter prepared and distributed.
- Regular ABC local radio and newspaper media coverage of Central Region projects and events.
- Central Region website updated.

3. Regional and Community Sustainability

- ✓ **The long-term economic, environmental and social sustainability of the Central Local Government Region is fostered through pro-active, innovative, efficient and collaborative approaches to issues of priority.**

Achievements for 2011/12

Regional Identity & Cohesion

- Convened Regional Strategic Alliance meetings with Northern & Yorke Natural Resources Management Board (NRM) and Regional Development Australia Yorke and Mid North (RDA).
- Hosted Yorke/Mid North Annual Planning Review Forum in Port Pirie with NRM and RDA.
- Secured funding and ongoing support for annual planning forums from State Government.
- Review, feedback and ongoing liaison to LGA 'Growing Country Communities and Regional Development' policy.
- Coordinate LG nominees to Regional Development Australia (RDA) Yorke/Mid North.
- Panel member at PIRSA regional development forum.
- Convened update briefings of RDA and NRM to Central Region meetings.
- Participation in Regional Government Coordination Network.
- Continued Central Region office co-location with Regional Department of Transport, Crystal Brook.

Waste Management

- Funding of \$120,000 secured from ZWSA to engage Regional Waste Coordinator for 2 years.
- Regional waste management committee re-established.
- Attendance at LGA and ALGA Landfill and waste management forums.
- Waste management update forums held.
- Funding submissions to Mobile Muster prepared.
- Report to SAROC on waste service charges.
- Liaison with ZWSA and Councils regarding e-waste collections.
- Liaison with EPA regarding Illegal Dumping unit.
- Support to Councils regarding waste management issues, as required.

Transport

- Convened Central Region Transport Committee, including participation by DTEI and RDA.
- Assessment, inspection and regional submission to Special Local Roads program.
- Participation in RDA Regional Freight Forum, Wallaroo.
- Commitment towards development of Regional Transport Strategy with Regional Development Australia.
- Liaison with MP's and agencies regarding Central Region Council flood damage and need for review of disaster fund guidelines.
- Report to SAROC and drafted Notice of Motion to LGA General Meeting seeking review of LG Disaster Fund guidelines.
- Report to SAROC seeking support for a timely resolution by the Minister for Transport regarding the legal responsibilities for road reserves.
- Funding of \$90,000 secured for Local Road Flood Remediation project.
- Attendance at Roads Conference, Barossa.

Environment

- Convened meetings of Coastal Councils Network.
- Convened annual Coastal Councils forum at Pt Germein.
- Delivery of second year of \$700,000 Australian Government Caring for our Country Coastcare project.
- Development of Coastal Action Plan and funding proposal to Northern & Yorke NRM board.
- Local Government representative attendance at Regional NRM Board meetings.
- Supported NRM funding submission to Biodiversity fund.
- Participation in NRM Conservation Action Planning, Biodiversity fund and NRM Integration workshops.

Water Resources

- Continued funding of Technical Officer (Water) for access by Central Region Councils.
- Support for development of business cases and funding submissions for water projects.
- Convened Central Region Water Committee.
- Attendance at LGA Stormwater Management Agreement Review briefing and written submission.
- Report to SAROC on water charges for sporting and community groups.
- Attendance at LGA Murray Darling Basin Plan forum.
- Murray Darling Association Region 8 annual update to Central Region board.

Climate Change and Emergency Management

- Establishment of regional climate change project steering committee and technical panel.
- Hosted regional climate change vulnerability workshop in Clare.
- Completion of Regional Climate Change Vulnerability Assessment report.
- Presentation of Regional Climate Change report to various regional, state and national forums.
- Secured funding of \$40,000 from State Government towards engagement of Regional Climate Change Coordinator.
- Participation on LGA Climate Change Steering Committee.
- Coordinated LG representation to Yorke/Mid North Zone Emergency Management committees (ZEMC).
- Attendance ZEMC workshop.
- Report to SAROC seeking support to implement common boundary alignment; opportunities for greater regional resource sharing; and formal linkages and reporting between the Regional Zone Emergency Management Committees and Regional Bushfire Management Committees.
- Correspondence to Regional Bushfire Management committee regarding smoke drift and burning policies.
- Funding for Regional Climate Change Vulnerability Assessment with RDA, NRM and ZEMC support.
- Attendance at statewide Climate Change Sector Agreement forum in Adelaide.

Community Wellbeing, Health and Prosperity

- Convened and hosted regional visit by NBN co in conjunction with RDA.
- Meeting with NBN Co regarding anomalies in broadband rollout.
- Submission to Federal Regional Telecommunications review.
- Funding of \$150,000 secured from State Government for engagement of Windfarm Liaison Officer.
- Windfarm Project Steering committee established.
- Submission to State Government Windfarm Planning Reforms and Central Region delegation meetings with MP's and Agencies.
- Report to SAROC on windfarm development.
- Convened meeting of Ngadjuri #2 Native Title Claim Councils.
- Support for Light Regional Council Model and Guidelines to assist Local Governments to assess the long term economic and financial impacts of growth and any short term implications.
- Participation on LGA Sport and Recreation Committee.

Audited Financial Statements 2011/12

IAN G McDONALD FCA
ABN: 13 550 494 869



**Chartered
Accountant**

4 November 2012

Mayor J Maitland
President
Central Local Government Region of SA Inc.
PO Box 94
MELROSE SA 5483

Dear Mayor Maitland

Please be advised that I have now completed the external financial audit of the Region for the financial year ended 30 June 2012.

The audit opinion has been signed without qualification.

1. Report on Matters Arising from the Audit

There is no matter that requires a report to the Minister.

I am satisfied with the action taken in relation to my audit communication during the year.

The Auditor's Independence Declaration has been provided.

2. Adequacy of the Internal Control Environment

In my opinion the Subsidiary's internal control environment is adequate.

A review of the internal control framework documentation should be undertaken annually.

Liability limited by a scheme approved under Professional Standards Legislation

1st Floor,
206 Greenhill Road,
Eastwood, SA, 5063

PO Box 75
Henley Beach
SA 5022

Mobile: 0419 620 906
Residence: 8356 0825
Facsimile: 8356 6397

Email: imd1962@bigpond.net.au

Please do not hesitate to contact me on 0419620906 if further information is required.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Mc Donald', written in a cursive style.

Ian Mc Donald

Cc: Sean Cheriton

CENTRAL LOCAL GOVERNMENT REGION OF SA INC.

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012**

	NOTES	2012	2011
		\$	\$
INCOME			
Council Contributions	3.	147,543	165,332
Grants, Subsidies and Other Contributions	4.	796,980	541,337
Investment Income	5.	22,516	22,108
Other Incomes	6.	14,320	19,500
TOTAL INCOME		981,359	748,277
EXPENSES			
Materials, Contracts & Other Expenses	7.	920,340	579,944
Depreciation		6,529	
TOTAL EXPENSES		926,869	579,944
OPERATING SURPLUS (DEFICIT)		54,490	168,333
Asset Disposal & Fair Value Adjustments	8.		(19,293)
NET SURPLUS (DEFICIT)		54,490	149,040
TOTAL COMPREHENSIVE INCOME		54,490	149,040

This Statement is to be read in conjunction with the accompanying notes.

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CENTRAL LOCAL GOVERNMENT REGION OF SA INC.

**BALANCE SHEET
AS AT 30 JUNE 2012**

	NOTES	2012 \$	2011 \$
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents	9.	586,594	544,362
Trade & Other Receivables	10.	86,078	38,201
TOTAL CURRENT ASSETS		672,672	582,564
NON-CURRENT ASSETS			
Infrastructure, Property, Plant & Equipment	11.	21,529	28,059
TOTAL NON-CURRENT ASSETS		21,529	28,059
TOTAL ASSETS		694,201	610,623
LIABILITIES			
CURRENT LIABILITIES			
Trade & Other Payables	12.	58,041	28,953
TOTAL CURRENT LIABILITIES		58,041	28,953
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		0	0
TOTAL LIABILITIES		58,041	28,953
NET ASSETS		636,160	581,670
EQUITY			
Accumulated Surplus		303,660	249,170
Other Reserves		332,500	332,500
TOTAL EQUITY		636,160	581,670

This Statement is to be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

2012	Accumulated Surplus	Asset Revaluation Reserve	Available for Sale Financial Assets	Other Reserves	Total Equity
Balance at End of Previous Reporting Period	249,170			332,500	581,670
Adjust. due to Compliance with Revised Acc Standards					0
Adjust. to give effect to Changed Acc Policies					0
RESTATED OPENING BALANCE	249,170	-	-	332,500	581,670
NET SURPLUS (DEFICIT)	54,490				54,490
OTHER COMPREHENSIVE INCOME					
Gain on Revaluation of I,P,P&E					0
Avail-for-Sale Fin Instruments - Change in Fair Value					0
Share of Other Comp Income - Joint Ventures & Associates					0
Impairment (Expense) / Recoupments Offset to Asset Rev Reserve					0
Transfer to Acc Surplus on Sale of I,P,P & E					0
Transfer to Acc Surplus on Sale of Avail-for-Sale Fin Instruments					0
Transfer Between Reserves					0
BALANCE AT END OF PERIOD	303,660	-	-	332,500	636,160
2011	Accumulated Surplus	Asset Revaluation Reserve	Available for Sale Financial Assets	Other Reserves	Total Equity
Balance at End of Previous Reporting Period	310,630			122,000	432,630
Adjust. due to Compliance with Revised Acc Standards					0
Adjust. to give effect to Changed Acc Policies					0
RESTATED OPENING BALANCE	310,630	-	-	122,000	432,630
NET SURPLUS (DEFICIT)	149,040				149,040
OTHER COMPREHENSIVE INCOME					
Gain on Revaluation of I,P,P&E					0
Avail-for-Sale Fin Instruments - Change in Fair Value					0
Share of Other Comp Income - Joint Ventures & Associates					0
Impairment (Expense) / Recoupments Offset to Asset Rev Reserve					0
Transfer to Acc Surplus on Sale of I,P,P & E					0
Transfer to Acc Surplus on Sale of Avail-for-Sale Fin Instruments					0
Transfer Between Reserves	(210,500)			210,500	0
BALANCE AT END OF PERIOD	249,170	-	-	332,500	581,670

This Statement is to be read in conjunction with the accompanying notes.

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012**

	NOTES	2012 \$	2011 \$
		INFLWS (OUTFLOWS)	
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts</i>			
Operating Receipts		922,632	721,114
Investment Receipts		24,457	19,310
GST Collected		91,978	70,132
GST Refund from the ATO		58,218	55,000
<i>Payments</i>			
Operating Payments to Suppliers & Employees		(893,925)	(553,594)
GST Payments on Purchases		(76,623)	(52,214)
GST Remitted to the ATO		(84,504)	(70,637)
NET CASH PROVIDED BY (OR USED IN) OPERATING ACTIVITIES		42,231	189,111
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts</i>			
Sale of Replaced Assets			35,541
<i>Payments</i>			
Expenditure on Renewal/Replacement of Assets			(61,063)
NET CASH PROVIDED BY (OR USED IN) INVESTING ACTIVITIES		0	(25,523)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts</i>			
<i>Payments</i>			
NET CASH PROVIDED BY (OR USED IN) FINANCING ACTIVITIES		0	0
NET INCREASE (DECREASE) IN CASH HELD		42,231	163,589
CASH & CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD		544,362	380,773
CASH & CASH EQUIVALENTS AT END OF REPORTING PERIOD	13.	586,594	544,362

This Statement is to be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

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.

(a) **The Local Government Reporting Entity**

The Central Local Government Region of South Australia Incorporated ("the Region") is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999.

The Constituent Councils are:

The Barossa Council;	District Council of Mount Remarkable;
District Council of Barunga West;	Northern Areas Council;
Clare and Gilbert Valleys Council;	District Council of Orroroo / Carrieton;
District Council of the Copper Coast;	District Council of Peterborough;
The Flinders Ranges Council;	Port Pirie Regional Council;
Regional Council of Goyder;	Wakefield Regional Council; and
Light Regional Council;	District Council of Yorke Peninsula.
District Council of Mallala;	

All funds received and expended by the Region have been included in the Financial Statements forming part of this Financial Report.

(b) **Basis of Accounting**

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The financial report was authorised for issue by the Region by certificate under Regulation 14 of the Local Government (Financial Management) Regulations 2011 dated 10 August 2012.

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

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 Region'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.

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

(c) **Income Recognition**

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Region 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 Region's operations for the current reporting period.

(d) **Cash, Cash Equivalents & Other Financial Instruments**

Cash Assets include all amounts readily convertible to cash on hand at the Region'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 policies applied to Financial Instruments forms part of Notes 15 and 16.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

(e) **Infrastructure, Property, Plant & Equipment**

All non-current assets purchased are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

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

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Region for each type of asset. In determining 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:-

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000

Certain asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value.

All plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets. Depreciation is recognised on a straight-line basis.

(f) **Payables**

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.

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

(g) **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.

(h) **Comparative Information**

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012(i) *New Accounting Standards*

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2012 reporting period and have not been used in preparing these reports.

AASB 9	Financial Instruments
AASB 10	Consolidated Financial Statements
AASB 11	Joint Arrangements
AASB 12	Disclosure of Interests in Other Entities
AASB 13	Fair Value Measurement
AASB 119	Employee Benefits
AASB 127	Separate Financial Statements
AASB 128	Investments in Associates & Joint Ventures
AASB 2010-6	Amendments to Australian Accounting Standards [AASBs 1 & 7]
AASB 2010-7	Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]
AASB 2011-1	Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]
AASB 2011-5	Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, AASB 128 & AASB 131]
AASB 2011-7	Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]
AASB 2011-8	Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]
AASB 2011-9	Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]
AASB 2011-10	Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14]
AASB 2011-12	Amendments to Australian Accounting Standards arising from Interpretation 20 [AASB 1]

NB. Standards not affecting Local Government Entities have been excluded from the above list.

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

The Australian Accounting Standards Board is currently reviewing AASB 1004 Contributions. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.

(j) *Subscriptions*

Clause 5.2 of the Charter of the Region prescribes that subscriptions by Constituent Councils will be decided at the Annual General Meeting. For 2011 / 2012 these were \$9,493 exclusive of GST.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**2. Functions / Activities of the Region**

Incomes and expenses have been attributed to the functions / activities which are described below.

The activities of the Region are categorised into the following broad programs:

General Operating Activities	Community Wellbeing & Prosperity
Local Government Leadership & Sustainability	Natural Resource Management
Roads & Transport	Water Resources
Regional Waste Management	Disaster & Emergency Management

Incomes, expenses and the carrying amount of assets which are reliably attributable to each of the listed functions & activities are reported on regularly throughout the year and are available upon request to the Executive Officer.

	NOTES	2012	2011
		\$	\$
3. COUNCIL CONTRIBUTIONS			
General Operations		142,395	139,605
Regional Waste Study			20,000
Roads Project		5,148	5,727
		<u>147,543</u>	<u>165,332</u>
4. GRANTS, SUBSIDIES & OTHER CONTRIBUTIONS			
Other Grants, Subsidies & Contributions		796,980	541,337
		<u>796,980</u>	<u>541,337</u>
<i>Sources of Grants</i>			
Commonwealth Government		352,000	417,000
State Government		334,000	89,800
Other		110,980	34,537
		<u>796,980</u>	<u>541,337</u>
<i>Conditions Over Grants & Contributions</i>			
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 Close of Previous Reporting Period		225,809	117,559
Less: Expended During the Current Period from Revenues Recognised in Previous Reporting Periods:-			
Water Project		25,134	4,661
Natural Resources Management			6,513
Climate Change		74,201	76,310
Coastal Councils Project		126,473	3,023
Digital Television			17,518
		<u>225,809</u>	<u>108,024</u>
Plus: Amounts Recognised as Revenues in this Reporting Period but Not Yet Expended in Accordance with the Conditions:-			
Waste Management		5,584	
Water Project			25,000
Climate Change		75,153	64,800
Coastal Councils Project		55,104	126,473
Flood Remediation		9,910	
Wind Farm Liaison		76,065	
		<u>221,816</u>	<u>216,273</u>
Unexpended at Close of Reporting Period and held as Restricted Assets		<u>221,816</u>	<u>225,809</u>
Net Increase (Decrease) in Restricted Assets in Current Reporting Period		<u>(3,993)</u>	<u>108,249</u>
5. INVESTMENT INCOME			
Interest on Investments			
Local Government Finance Authority		21,431	20,993
Banks & Other		1,085	1,115
		<u>22,516</u>	<u>22,108</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	NOTES	2012	2011
		\$	\$
6. OTHER INCOMES			
Vehicle Charges		10,000	10,000
Project Management			9,500
Sundry		4,320	
		<u>14,320</u>	<u>19,500</u>
7. MATERIALS, CONTRACTS & OTHER EXPENSES			
<i>Prescribed Expenses</i>			
Auditor's Remuneration			900
Auditing the Financial Reports		1,500	
Other Auditors		220	
		<u>1,720</u>	<u>900</u>
<i>Other Materials, Contracts & Expenses</i>			
Consultants & Contractors		769,677	495,974
Energy / Fuel		3,801	4,737
Donations		11,865	
Grants		87,545	
Members Allowances & Support		5,923	4,963
Meeting Costs		2,929	3,981
Liability Insurance		6,920	6,699
Sundry		29,958	62,691
		<u>918,620</u>	<u>579,044</u>
		<u>920,340</u>	<u>579,944</u>
8. ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS			
Proceeds from Disposal			35,541
Less: Carrying Amount of Assets Sold			54,834
		<u>0</u>	<u>(19,293)</u>
9. CASH & CASH EQUIVALENTS			
Cash on Hand & At Bank		130,568	21,708
Deposits at Call		456,026	522,654
	13.	<u>586,594</u>	<u>544,362</u>
10. TRADE & OTHER RECEIVABLES			
Accrued Revenues		6,715	6,320
Debtors - General		79,364	31,882
		<u>86,078</u>	<u>38,201</u>
11. INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Valuation of Assets</i>			
At 1 July 2004 upon the transition to AIFRS, the Region elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost for the purposes of AIFRS.			
Pursuant to the Region's election, property, plant and equipment assets are recognised on the cost basis.			
PLANT & EQUIPMENT			
At Cost		28,059	28,059
Accumulated Depreciation		(6,529)	
		<u>21,529</u>	<u>28,059</u>
Carrying Amount at Close of Previous Reporting Period		28,059	21,830
Additions			61,063
Disposals			(54,834)
Depreciation		(6,529)	
Carrying Amount at Close of Current Reporting Period		<u>21,529</u>	<u>28,059</u>
12. TRADE & OTHER PAYABLES			
Goods & Services		58,041	28,953
		<u>58,041</u>	<u>28,953</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	NOTES	2012	2011
		\$	\$
13. RECONCILIATION TO CASH FLOW STATEMENT			
<i>Reconciliation of Cash</i>			
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 Statement of Financial Position as follows:			
Total Cash and Cash Equivalents	9.	586,594	544,362
Less: Short Term Borrowings	BS		
Balance per Cash Flow Statement		<u>586,594</u>	<u>544,362</u>
<i>Reconciliation of Change in Net Assets to Cash from Operating Activities</i>			
Net Surplus (Deficit)		54,490	149,040
Non-Cash Items in Income Statement			
Depreciation, Amortisation & Impairment		6,529	
Net (Gain) Loss on Disposals		0	19,293
		<u>61,020</u>	<u>168,333</u>
Add (Less): Changes in Net Current Assets			
Net (Increase) Decrease in Receivables		(47,877)	(8,174)
Net Increase (Decrease) in Trade & Other Payables		29,089	28,953
Net Cash Provided (or Used In) Operating Activities		<u>42,231</u>	<u>189,111</u>

14. 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 placed on 24 hour call with the Local Government Finance Authority at market interest rates.
Carrying amount:	Approximates fair value due to the short term to maturity.

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. The Region is not materially exposed to any individual debtor, with credit risk exposure concentrated within the Region's boundaries.
Carrying amount:	Approximates fair value (after deduction of any allowance).

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 the Governments of the Commonwealth & State.
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 Region.
Terms & conditions:	Liabilities are normally settled on 30 day terms.
Carrying amount:	Approximates fair value.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

15. LIQUIDITY ANALYSIS	Instrument Due			Total Contractual Cash Flows	Total Carrying Values
	< 1 year	> 1 and < 5 yrs	> 5 years		
2012					
Financial Assets					
Cash & Equivalents	586,594			586,594	586,594
Receivables	86,078			86,078	86,078
Other Financial Assets				0	0
Total Financial Assets	672,672	0	0	672,672	672,672
Financial Liabilities					
Payables	58,041			58,041	58,041
Current Borrowings				0	0
Non-Current Borrowings				0	0
Total Financial Liabilities	58,041	0	0	58,041	58,041
2011					
Financial Assets					
Cash & Equivalents	544,362			544,362	544,362
Receivables	38,201			38,201	38,201
Other Financial Assets				0	0
Total Financial Assets	582,564	0	0	582,564	582,564
Financial Liabilities					
Payables	28,953			28,953	28,953
Current Borrowings				0	0
Non-Current Borrowings				0	0
Total Financial Liabilities	28,953	0	0	28,953	28,953

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

	2012		2011	
	Weighted Ave Interest Rate	Carrying Value	Weighted Ave Interest Rate	Carrying Value
	%	\$	%	\$
Overdraft	N/A	0	N/A	0
Other Variable Rates	N/A	0	N/A	0
Fixed Interest Rates	N/A	0	N/A	0
		0		0

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 Region.

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 Region is the carrying amount, net of any allowance for doubtful debts. All Region investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in the Notes in relation to individual classes of receivables (if applicable), exposure is concentrated within the Region'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 Region'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 Region 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 based on cash inflows.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Region 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

16. LIQUIDITY ANALYSIS (CONT.)

Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value. Due to the nature of the financial instruments held by the Region, the costs associated with their settlement would not be material and therefore have not been considered.

Credit Risk Exposure

Credit risk represents the loss that would be recognised if other parties failed to perform as contracted.

The credit risk on financial assets, excluding investments, of the Region which have been recognised in the Balance Sheet (if any) is the carrying amount, net of any provision for doubtful debts. The Region does not have significant exposure to any concentration of credit risk.

The net fair value of other monetary financial assets and financial liabilities is based on market prices where a market exists or by discounting expected future cash flows by the current interest rates for assets and liabilities with similar risk properties.

Cash flows are discounted using standard valuation techniques and the applicable market yield having regard to the timing of cash flows. The carrying amount of bank term deposits, accounts receivable, accounts payable and bank loans approximate net fair value.

	NOTES	2012	2011
		\$	\$
RECONCILIATION OF FINANCIAL ASSETS & LIABILITIES			
<i>Excess of Financial Assets over Liabilities</i>			
Financial Assets		665,958	576,244
Financial Liabilities		(58,041)	(28,953)
		<u>607,916</u>	<u>547,292</u>
<i>Non-Financial Assets (Liabilities)</i>			
Accrued Revenues		6,715	6,320
Property, Plant & Equipment		21,529	28,059
		<u>28,244</u>	<u>34,379</u>
<i>Net Assets per Balance Sheet</i>		<u>636,160</u>	<u>581,670</u>

17. FINANCIAL INDICATORS

	2012	2011	2010	2009
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.				
Operating Surplus	54,490	168,333	(151,685)	232,911
<i>Being the operating surplus (deficit) before capital amounts.</i>				
Operating Surplus Ratio	N/A	N/A	N/A	N/A
<i>This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.</i>				
Net Financial Liabilities	(614,631)	(553,611)	(410,801)	(562,951)
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in the Region's businesses).</i>				
Net Financial Liabilities Ratio	(63 %)	(74 %)	(103 %)	(84 %)
Interest Cover Ratio	(2.3 %)	(3.0 %)	(3.4 %)	(2.2 %)
Asset Sustainability Ratio	N/A	N/A	N/A	N/A
Asset Consumption Ratio	N/A	N/A	N/A	N/A

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

18. UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Region 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 & Subsidiaries provide a common 'core' of financial information, which enables meaningful comparisons of finances.

	2012	2011
	\$	\$
Income	981,359	748,277
less Expenses	<u>(926,869)</u>	<u>(579,944)</u>
	54,490	168,333
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	0	(61,063)
less Depreciation, Amortisation and Impairment		
less Proceeds from Sale of Replaced Assets	<u>0</u>	<u>35,541</u>
	0	(25,523)
Net Outlays on New & Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	0	0
less Amounts Received Specifically for New and Upgraded Assets	0	0
less Proceeds from Sale of Surplus Assets	<u>0</u>	<u>0</u>
	0	0
Net Lending (Borrowing) for Reporting Period	<u>54,490</u>	<u>142,811</u>

19. JOINT VENTURES & ASSOCIATED ENTITIES

An *Associate* is an entity, including an unincorporated entity such as a partnership, over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

A *Joint Venture* is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

The Region has no interests in Joint Ventures or Associated Entities.

Although the Region itself is a Regional Subsidiary established by the 15 Member Councils (as listed in Note 1 (a)), it is not considered to be an associate of any of the individual Councils as no one Council has significant influence. As such, equity accounting procedures are not used by the individual Councils. It is likely that each Council's interest in the Regional Subsidiary is non-material, and as such, it is appropriate for a Council to write off its annual contribution as an expense.

CENTRAL LOCAL GOVERNMENT REGION OF SA INC.

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

CERTIFICATION OF FINANCIAL STATEMENTS

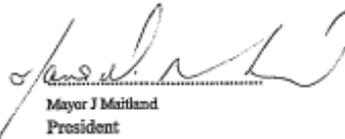
We have been authorised by the **CENTRAL LOCAL GOVERNMENT REGION OF SA INC.** to certify the financial statements in their final form. In our opinion:-

- the accompanying financial statements comply with the Local Government Act 1999, the Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards.
- the financial statements present a true and fair view of the Region's financial position at 30 June 2012 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Region provide a reasonable assurance that the Region's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Region's accounting and other records.



A. Crisp
Executive Officer

10/08/2012
Dated



Mayor J Maitland
President

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

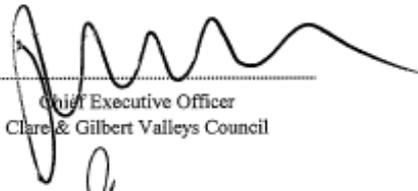
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the Audit of the Central Local Government Region of South Australia Incorporated for the year ended 30 June 2012, the Association's Auditor, Ian G McDonald, 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) of the Local Government (Financial Management) Regulations 2011.



Chief Executive Officer
The Barossa Council



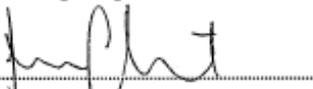
Chief Executive Officer
Clare & Gilbert Valleys Council



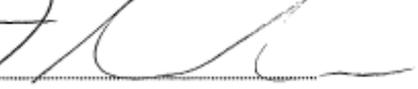
Chief Executive Officer
The Flinders Ranges Council



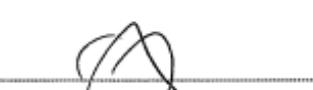
Chief Executive Officer
Light Regional Council



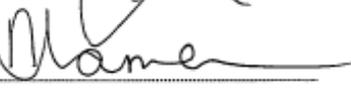
Chief Executive Officer
District Council of Mount Remarkable



Chief Executive Officer
District Council of Orroroo Carrieton



Chief Executive Officer
Port Pirie Regional Council



Chief Executive Officer
District Council of Yorke Peninsula



Presiding Member
Central Local Government Region Audit Committee



Chief Executive Officer
District Council of Barunga West



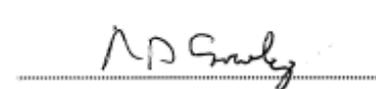
Chief Executive Officer
District Council of the Copper Coast



Chief Executive Officer
Regional Council of Goyder



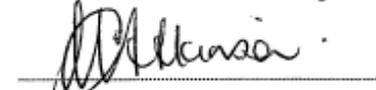
Chief Executive Officer
District Council of Mallala



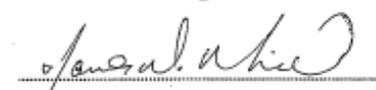
Chief Executive Officer
Northern Areas Council



Chief Executive Officer
District Council of Peterborough



Chief Executive Officer
Wakefield Regional Council



President
Central Local Government Region
Board of Management

CENTRAL LOCAL GOVERNMENT REGION OF SA INC

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of Central Local Government Region of SA for the year ended 30 June 2012, 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*.



Ian G McDonald FCA

Dated this 31 day of July 2012

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE CENTRAL LOCAL GOVERNMENT
REGION OF SA INC**

I have audited the accompanying financial report of the Central Local Government Region of SA Inc which comprises the balance sheet as at 30 June 2012 and the statement of comprehensive income, statement of changes in equity, cash flow statement, summary of significant accounting policies, other explanatory notes and the certification of financial statement for the year ended 30 June 2012.

Chief Executive Officer's Responsibility for the Financial Report

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011. 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

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 Board of Management, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit I followed applicable independence requirements of Australian professional and ethical pronouncements and the Local Government Act 1999.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Central Local Government Region of SA Inc as of 30 June 2012, and of its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011.



**IAN G MC DONALD FCA
CHARTERED ACCOUNTANT
REGISTERED COMPANY AUDITOR**

Liability limited by a scheme approved under Professional Standards Legislation

Signed 4 day of November 2012, at Eastwood, South Australia

1st Floor,
206 Greenhill Road,
Eastwood, SA, 5063

PO Box 75
Henley Beach
SA 5022

Mobile: 0419 620 906
Residence: 8356 0825
Facsimile: 8356 6397

Email: imd1962@bigpond.net.au

Appendix 3—GRFMA Annual Report 2011/12

Gawler River Floodplain Management Authority

Annual Report 2011 - 2012

Constituent Councils:
Adelaide Hills Council
The Barossa Council
Town of Gawler
Light Regional Council
District Council of Mallala
City of Playford

Address : 3/58 Charles Street
Unley South Australia 5061
Mobile: 0413 174 222
Email: deangollan@hotmail.com
Website: www.gawler.sa.gov.au/grfma

Gawler River Floodplain Management Authority

Annual Report 2011 – 2012

Chairman's Forward

Major work throughout 2011-2012 has seen the work on the South Para Reservoir modifications almost complete as at the 30th June. It has been a major undertaking and is testimony to SA Water supervision and Bardavcol's Construction Team that it has been completed without any financial overrun.

Maintenance of the North Para Dam has continued and the two major heavy storms during the year proved its worth in respect of downstream events.

The downstream councils have continued to research their responsibilities and programs and the Board now will lend its support to developing the next phase of the necessary works. I personally thank the Council's representatives for their input to our meetings and take the opportunity to welcome Dean Gollan as Fred Pedler's successor.

Dr Bruce Eastick AM
Chairman

GRFMA

The Gawler River Floodplain Management Authority (GRFMA) was formed as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999 on 22 August 2002. The Constituent Councils are the Adelaide Hills Council, The Barossa Council, The Town of Gawler, Light Regional Council, District Council of Mallala and the City of Playford.

The Charter provides that a representative of the Adelaide Mount Lofty Ranges Natural Resources Management Board (AMLRNRMB) is the Chairperson of the Board of Management of the GRFMA. The Charter sets down the powers, functions, safeguards, accountabilities and an operational framework and the Business Plan sets down the operational plan and financial plan to achieve agreed objectives.

The GRFMA has been established for the following purposes:

1. To co-ordinate the construction, operation and maintenance of flood mitigation infrastructure in the Gawler River area (the Floodplain);
2. To raise finance for the purpose of developing, managing and operating and maintaining flood mitigation works within the Floodplain;
3. To provide a forum for the discussion and consideration of topics relating to the Constituent Council's obligations and responsibilities in relation to management of flood mitigation within the Floodplain;
4. To enter into agreements with Constituent Councils for the purpose of managing and developing the Floodplain.

The Board

The Members of the Board for the year were:

Authority	Board Members	Deputy Board Members
AMLRNRMB	Dr Bruce Eastick AM, Chairman	
Adelaide Hills Council	Mayor Bill Spragg Mr Peter Peppin, CEO	Mr Marc Salver
The Barossa Council	Mayor Brian Hurn OAM Mr Ian Baldwin	Cr Dave de Vries
Town of Gawler	Cr Brian Thom Mr Stephen Kerrigan, CEO	Cr Paul Koch Mr Alec Shaw
Light Regional Council	Cr William Close Mr Brian Carr, CEO	Cr Peter Graham Mr Andrew Philpott
District Council of Mallala	Cr Ann Picard Mr Charles Mansueto, CEO	Cr Tom Summerton
City of Playford	Cr Dino Musolino Mr Tim Jackson, CEO	Mr Andy Slager Mr Shaun Kennedy

Ordinary meetings of the Board are held bi-monthly on the third Thursday, except December, which is held on the second Thursday, of the even months commencing at 9.00am.

Meetings are hosted by the Constituent Councils on a rotational roster. Six Board meetings were held during the year as follows:

Thursday 25 August 2011	Gawler
Thursday 3 November 2011	Mallala
Thursday 12 December 2011	Elizabeth
Thursday 16 February 2012	Kapunda
Thursday 19 April 2012	Gumeracha
Thursday 21 June 2012	Nuriootpa

A Key Outcomes Summary is prepared following each Board Meeting that highlights the key issues and achievements and is distributed to Stakeholders electronically.

Technical Assessment Panel

A Technical Assessment Panel has been appointed to support the decision-making processes of the Board with delegated powers to provide advice and manage the technical aspects of the design, assessment and construction of the various parts of the Scheme.

The Members of the Panel are:

- Dr Bruce Eastick AM, Chairman
- Dean Gollan, Executive Officer, GRFMA
- Bill Lipp, Principal Stormwater Engineer, Department for Transport, Energy and Infrastructure
- Andy Slager, Civil Engineer, City of Playford
- Chris Wright, Water Projects Officer, Adelaide Mount Lofty Ranges NRM Board
- Derek Moore, Principal Engineer Dams, SA Water
- Mr Adrian Swiatnik, (proxy to Andy Slager)

The Panel meets as the agenda requires.

Audit Committee

Following amendment to the Local Government Act 1999, the GRFMA Board recommended to the Constituent Councils that an Audit Committee of three members be formed, comprising an independent Chair with audit committee, financial management, governance and risk management skills, supported by two council chief executive officers, with audit committee and financial management skills, from the Constituent Councils. Following endorsement by the Constituent Councils, the Committee held three meetings during the year.

- Thursday 25 August, 2011 at Gawler
- Thursday 5 April, 2012 at 25 Peel Street, Adelaide
- Friday 18 May, 2012 at 25 Peel Street, Adelaide

The members of the Committee are:

- Mr Allen Bolaffi, Partner, UHY Haines Norton
- Mr Charles Mansueto, CEO, District Council of Malalla
- Mr Peter Peppin, CEO, Adelaide Hills Council

Executive Officer Services Committee

In April 2011, a committee was formed to have oversight of the Executive Officer Services Contract, including the annual contract performance review process.

The members of the Committee are:

- Dr Bruce Eastick AM
- Cr Ann Picard, District Council of Mallala
- Mr Charles Mansueto, CEO, District Council of Mallala
- Mr Stephen Kerrigan, CEO, Town of Gawler

Gawler River Flood Mitigation Scheme

The 'Scheme' is described in the 'Gawler River Flood Mitigation Scheme', published by the Northern Adelaide and Barossa Catchment Water Management Board and the Department of Water, Land and Biodiversity Conservation, October 2002. Based on the Gawler River Flood Management Study - Flood Management Plan prepared for The Gawler River Flood Management Working Party, BC Tonkin and Associates, April 1994.

Following the November 2005 flood, the Australian Government, South Australian Government, the six Constituent Councils and the Northern Adelaide Barossa Catchment Water Management Board committed to a funding package totalling \$20 million to implement the Scheme.

The Scheme comprised three parts as follows:

- The construction of a flood mitigation dam on the North Para River near Gawler – the Bruce Eastick North Para Flood Mitigation Dam was completed in December 2007.
- Modifications to the dam wall and spillway of the South Para Reservoir to provide flood mitigation – the modifications reached practical completion in June 2012.
- Construction of levees including the formalization of a controlled parallel flow path together with sensitive vegetation and channel maintenance along the lower reaches of the Gawler River - to be later described as Strategy 6d – this part of the Scheme was abandoned following the findings of the Gawler River Mapping Study in 2008.

In February 2008, the Gawler River Mapping Study was completed to identify the impact of the March 2007 estimates and to identify strategies to mitigate the impact of flooding.

In June 2009, the Board amended the Business Plan to include the preparation of a *Gawler River Flood Mitigation Scheme – Mark Two*, planned to build on the studies of recent years and bring forward strategies that can cost effectively reduce the impact of flooding from the Gawler River. The development of the Mark Two Scheme has been delayed by the need to provide additional funding to complete the modifications to the South Para Reservoir.

Flood Events

4th and 5th September 2010

Heavy rains fell across the catchment, up to 70 mm, estimated to be approximately a 1 in 7 year storm event resulted in strong flows in the North Para River. Water began to rise behind the Bruce Eastick North Para Flood Mitigation Dam on Saturday and at 10.00am on Sunday, reached a maximum height of 70 metres AHD, just below the high-level outlet pipes. Dam waters estimated to be 1.2 Gl extended approximately four kilometres upstream, passed through the low level outlet pipe at a controlled flow, returning to stream level at midday the

following day. The real time catchment rainfall, river flow data and height of water in the dam were able to be monitored on the Bureau of Meteorology website.

Both the effect of the dam, and filling the South Para Reservoir, mitigated the flow in the Gawler River that caused flooding of grazing land just east and west of the new Port Wakefield Highway. No property damage was reported.

Had the Bruce Eastick North Para Flood Mitigation Dam not been in place, it is estimated that a breakout just west of Bakers Road to the north would have occurred, flooding a number of horticultural properties.

8th December 2010

Following intense storms in the early hours where several centres recorded 24 hour falls of 70 to 80 mm, that gave rise to strong flows in the North Para River that caused the Bruce Eastick North Para Flood Mitigation Dam to operate for the second time in four months. Water rose to 72.5 m, which caused the two High Level Outlet Pipes to operate for the first time. Dam waters estimated to be 1.8 GI extended over 4 kilometres upstream passed through the low level outlet pipe at a controlled flow returning to stream level by late the following afternoon.

Had the Bruce Eastick North Para Flood Mitigation Dam not been in place it is estimated that a breakout just west of Bakers Road to the north would have occurred, flooding a number of horticultural properties.

These events confirmed that the dam operated as designed and provided protection by mitigating the peak flow to a level that could be passed by the lower Gawler River, without overtopping the banks causing flooding as was the case in 2005 and 1992.

Minor Works

A replacement Turretfield Flow Gauge Weir has been constructed 800 metres downstream from the dam on the North Para River. The former flow gauge weir just upstream of the dam wall is drowned out in a flood event by the dam waters and has been decommissioned. The replacement weir is smaller in design, gauging flows up to approximately 300 cubic metres per second. This gauge weir downstream of the junction with Walker Creek provides flow data from the western part of the catchment. Data from this flow gauge will be added to the online real time data on the Bureau of Meteorology web site.

Two additional survey monuments have been constructed at the dam site, to provide a total of four monuments to provide a survey base to monitor the deformation stability of the dam wall and spillway. Part of the maintenance program is to periodically survey the structure to ensure that there is no movement. In particular this is performed after major flood or seismic events.

South Para Reservoir Modifications

To further improve protection of the population at Gawler and the downstream floodplain, mitigation works were necessary at South Para Dam.

SA Water was approached by the GRFMA in September 2001, to discuss the implementation of flood mitigation works at the South Para Dam as part of their overall flood mitigation strategies.

Undertaking the flood mitigation works concurrently with a proposed dam safety upgrade was seen as the most economical solution to achieve compliance with ANCOLD guidelines, whilst providing considerable additional benefit to the community. The flood mitigation work involves modifying the existing spillway crest by raising it by 1.57 m. A 10m central slot remained at the original full supply level to provide a 1 in 100 year flood event flood retention capacity. The height of the dam embankment crest was raised 2 m by adding 1 m of additional fill and installing a concrete parapet wall on top to accommodate the resultant increased flood level.

Since that time, SA Water has been working with the GRFMA for the joint development of the South Para Reservoir to improve flood mitigation on the Gawler and South Para rivers, and dam safety improvements for the reservoir itself.

Detailed design work was completed in September 2010 and the total project costed at \$8.218 million excluding GST. The GRFMA portion of the project cost is \$4,382 million. A contract was awarded for the construction of the works on 12 July 2011. Practical completion was achieved on 25 June 2012 and the contract was completed without any variations.

General

The following Policies have been adopted to provide management guidelines for the day-to-day business of the GRFMA:

- Policy A1 - Access to Meetings and Documents
- Policy C1 - Consultation
- Policy I1 - Internal Review of Decisions
- Policy O1 - Operations Manual

All meetings of the GRFMA and its committees are open to the public. However, under prescribed circumstances the public has been excluded on three occasions for the purpose set out in the following table.

Forum	Total Resolutions for the year	Resolutions to exclude the Public - Sec 90(3)	Purpose	Order for documents to remain confidential - Sec 91(7)	Percentage
Board	66	2	Review / Engage Executive Officer Services	0	3%
Technical Reference Panel	Did not meet				
Audit Committee	14	0			0%
Executive Officer Services Committee	5	1	Executive Officer Services Contract		20%

Mr Dean Gollan was engaged to provide Executive Officer services under a services agreement until 31 December 2013. Mr Gollan has extensive experience in the administration of Councils and regional subsidiaries under the Local Government Act. The GRFMA has no employees and all services are engaged on a contract basis.

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

FINANCIAL STATEMENTS

Income Statement for the Year Ending 30th June 2012

	Notes	2012 \$	2011 \$
Income			
Subscriptions	3	67,000	40,000
Investment income	1(d)	55,492	72,080
State Government Grants	7.3	1,409,631	1,415
Commonwealth Government Grants	7.4	1,234,879	1,415
Other		842	32
Total Income		<u>2,767,844</u>	<u>114,942</u>
Expenditure			
Contractual Services	5	3,978,477	124,798
Finance Charges		4,141	2,550
Depreciation	1(i),4	191,510	-
Other		11,855	18,853
Total Expenses		<u>4,185,983</u>	<u>146,201</u>
Surplus / (Deficit) from Operations		(1,418,139)	(31,259)
Capital Revenue²			
State Government Grants	7.3		21,123
Commonwealth Government Grants	7.4		21,123
Total Capital Revenues		<u>-</u>	<u>42,246</u>
Surplus / (Deficit)		<u>(1,418,139)</u>	<u>10,987</u>

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

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

Balance Sheet as at 30th June 2012

	Notes	2012 \$	2011 \$
Current Assets			
Cash at Bank		7,926	59
Investments	1(d)	22,610	1,587,756
Debtors - GST		87,172	1,057
Accrued Grant Income		<u>426,514</u>	
Total Current Assets		<u>544,222</u>	<u>1,588,872</u>
Current Liabilities			
Bank Overdraft			-
Accounts Payable		3,997	
Accrued Expense		<u>188,660</u>	10,678
Total Current Liabilities		<u>192,657</u>	<u>10,678</u>
Net Current Assets		<u>351,565</u>	<u>1,578,194</u>
Non-current Assets			
Infrastructure	4	15,320,793	15,320,793
Less: Accumulated Depreciation	1(i),4	(191,510)	-
Land	4	<u>326,364</u>	326,364
Total Non-current Assets		<u>15,455,647</u>	<u>15,647,157</u>
Net Assets		<u>15,807,212</u>	<u>17,225,351</u>
Equity			
Accumulated Surplus at start of year		16,737,278	16,726,291
Surplus / (Deficit) from this year		(1,418,139)	10,987
Asset Revaluation Reserves	1(h),4	488,073	488,073
Total Equity		<u>15,807,212</u>	<u>17,225,351</u>

The above Balance Sheet should be read in conjunction with the accompanying notes

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

Statement of Change in Equity for the Year Ended 30th June 2012

	Notes	2012 \$	2011 \$
Equity			
Accumulated Surplus			
Balance at beginning of period		16,737,278	16,726,291
Add Net Surplus / (Deficit)		(1,418,139)	10,987
		<u>15,319,139</u>	<u>16,737,278</u>
Balance at end of period		<u>15,319,139</u>	<u>16,737,278</u>
Asset Revaluation Reserve			
Balance at beginning of period		488,073	-
Add movement increase	1(h),4	-	488,073
		<u>488,073</u>	<u>488,073</u>
Balance at end of period		<u>488,073</u>	<u>488,073</u>
Total Equity		<u>15,807,212</u>	<u>17,225,351</u>

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

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

Statement of Cash Flows for the Year Ended 30th June 2012

	Notes	2012 \$	2011 \$
Cash Flows from Operating Activities			
Receipts		2,579,337	85,108
Payments		(4,192,108)	(138,564)
Interest Receipts		55,492	72,080
Net Cash Used In Operating Activities	8.1	(1,557,279)	18,624
Cash Flows from Investment Activities			
Receipts		-	285,000
Payments		-	-
Net Cash Used in Investment Activities		-	285,000
Net Increase (Decrease) in Cash Held		(1,557,279)	303,624
Cash & cash equivalents at beginning of period		1,587,815	1,284,191
Cash & cash equivalents at end of period	8.2	30,536	1,587,815

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

1 Statement of Significant Accounting Policies

(a) The Local Government Reporting Entity

This financial report is a special purpose financial report prepared for use by the Gawler River Floodplain Management Authority. The Board has determined that the Authority is not a reporting entity.

The Gawler River Floodplain Management Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, The Barossa Council, Town of Gawler, Light Regional Council, District Council of Mallala and The City of Playford.

All funds received and expended by the Authority have been included in the financial statements forming part of this financial report.

(b) Basis of Accounting

This financial report has been prepared in accordance with the following Australian Accounting Standards:

AASB 110	Events After Balance Sheet Date
AASB 116	Property Plant & Equipment
AASB 1031	Materiality

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

This financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values, or except where specifically stated, current valuation of non current assets.

(c) Employees

The Association has no employees.

(d) Investments

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

(e) 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, net of outstanding bank overdraft.

(f) Infrastructure

The Bruce Eastick North Para Flood Control Dam was constructed in 2007. The valuation includes all materials, contractor's costs plus costs incidental to the acquisition, including engineering design and supervision fees and all other costs incurred.

(g) Land

The dam land includes the land on which the dam is constructed, rights of way access to the land and 'right to flood' easements over the land upstream from the dam that will be inundated by dam waters for short periods of time during a flood event. The Board valuation was undertaken at 30th June 2011.

(h) Revaluation

The Bruce Eastick North Para Flood Control Dam has previously been brought to account as a historical cost. The Board has not sought an independent valuation. The Board recognises that the dam is an unique infrastructure and in absence of market based evidence of fair value because of the specialized nature of the asset, the Board have used the depreciated cost approach. The Board sought the advice of the dam designers, URS Australia Pty Ltd, who advised that the building price increase index outlined in Rawlinson's Australian Construction handbook would be a suitable basis for the escalation of the original construction cost for the purpose of revaluation. The index was applied to the contract cost to construct the dam infrastructure. The Board revaluation was undertaken at 30th June 2011 and will be undertaken every 5 years.

(i) Depreciation

The depreciation period for the Bruce Eastick North Para Flood Control Dam is based on the best information available to the Board advised to be 80 years. Depreciation has been applied from 1st July 2011.

2 Functions / Activities of the Association

(a) Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note b.

(b) The activities of the Authority are categorised into the following function / activities:

Administration: The operations of the Authority and its Board

Other Environment: Flood Mitigation

Note 2b Functions of the Gawler River Floodplain Management Authority
(excluding depreciation)

Year	Revenue			Expenses			
	Grants	Other	Total Revenue	%	Expenses Total	%	Surplus (Deficit)

Administration

2012		107,334	107,334	3.9%	71,871	1.8%	35,463
2011	2,830	112,112	114,942	26.0%	75,246	51.5%	39,696

Other Environment: Flood Mitigation

2012	2,644,510	16,000	2,660,510	96.1%	3,922,604	98.2%	(1,262,094)
2011	42,246	285,000	327,246	74.0%	70,955	48.5%	256,291

Total

2012	2,644,510	123,334	2,767,844	100.0%	3,994,475	100.0%	(1,226,631)
2011	45,076	397,112	442,188	100.0%	146,201	100.0%	295,987

3 Subscriptions

The following subscriptions were levied on the Constituent Councils in accordance with Clause 10.2 of the Charter for the year:

Constituent Council	Scheme Works		Maintenance		Operations	
	2012	2011	2012	2011	2012	2011
Adelaide Hills Council	\$ -	\$ -	\$ 277	\$ 173	\$ 8,500	\$ 5,000
The Barossa Council	\$ -	\$ -	\$ 1,387	\$ 867	\$ 8,500	\$ 5,000
Town of Gawler	\$ -	\$ -	\$ 2,774	\$ 1,734	\$ 8,500	\$ 5,000
Light Regional Council	\$ -	\$ -	\$ 1,387	\$ 867	\$ 8,500	\$ 5,000
District Council of Mallala	\$ -	\$ -	\$ 4,626	\$ 2,891	\$ 8,500	\$ 5,000
City of Playford	\$ -	\$ -	\$ 5,549	\$ 3,468	\$ 8,500	\$ 5,000
Total	\$ -	\$ -	\$ 16,000	\$ 10,000	\$ 51,000	\$ 30,000

4 Non Current Assets Summary

Summary including movement in the carrying amount

	2012	2011
Infrastructure		
North Para - carrying amount at start of year (at cost)		\$14,832,720
North Para - carrying amount at start of year (at valuation)	\$15,320,793	
Add: Revaluation - Note 1(h)	\$0	\$488,073
Less: Accumulated Depreciation - Note 1(i)	(\$191,510)	\$0
Carrying amount at the end of year at revaluation	\$15,129,283	\$15,320,793
Land		
Land and Easements - at valuation	\$326,364	\$611,364
Less: land sold at valuation	\$0	(\$285,000)
Land - at valuation - Note 1(g)	\$326,364	\$326,364
Carrying amount at the end of year at valuation	\$326,364	\$326,364
Total infrastructure and Land	\$15,455,647	\$15,647,157

There are no Non Current Liabilities

5 Contractual Services

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

Consultants Operations

Fred Pedler & Associates	\$	42,900	\$	76,950
Dean Gollan	\$	15,533		
Allsurv Engineering Services Pty Ltd			\$	2,181
Australian Water Environments			\$	5,626
Cutloose Pty Ltd			\$	520
Enviro Group Pty Ltd	\$	2,500	\$	2,500
Maloney Field Services			\$	-
The Lighthouse Public Relations Pty Ltd			\$	2,606
North East Construction Pty Ltd			\$	-
UHY Haines Norton Ltd	\$	1,950	\$	1,300
SA Water				
	\$	62,883	\$	91,683

Contractors, Consultants Infrastructure

Torrens Building and Civil Pty Ltd			\$	26,300
Alexander Symonds Pty Ltd			\$	6,815
SA Water	\$	3,915,594		
	\$	3,915,594	\$	33,115
Totals	\$	3,978,477	\$	124,798

6 Comparison of Budget and Actual Results (excluding depreciation)

	2012		2011	
	Budget \$	Actual \$	Budget \$	Actual \$
Revenue				
Administration	\$ 116,256	\$ 107,334	\$ 98,480	\$ 102,112
Other Environment: Flood Mitigation	\$ 3,100,528	\$ 2,644,510	\$ 573,470	\$ 12,830
Maintenance	\$ 16,000	\$ 16,000		
Other Environment: Flood Mitigation Capital			\$ 309,356	\$ 327,246
Total Revenue	\$ 3,232,784	\$ 2,767,844	\$ 981,306	\$ 442,188
Expenditure				
Administration	163,337	71,871	\$ 138,333	\$ 75,246
Other Environment: Flood Mitigation	4,164,319	3,916,795	\$ 774,528	\$ 70,955
Maintenance	16,000	5,809		
Other Environment: Flood Mitigation Capital				
Total Expenditure	4,343,656	3,994,475	\$ 912,861	\$ 146,201
Surplus (Deficit)	(1,110,872)	(1,226,631)	\$ 68,445	\$ 295,987

7 Expenditure Commitment

(i) An agreement has been entered into with SA Water Corporation to undertake flood mitigation works to the South Para Reservoir dam wall and spillway in 2011-2012 for an estimated cost of \$4,381,949 that includes a 10% contingency.

(ii) An agreement has been entered into with Dean Gollan to provide Executive Officer and Supervision of Consultants services to 31 December 2013.

(iii) The State Government has approved funding for the Gawler River Flood Mitigation Scheme totalling \$8,166,612 of which \$7,998,726 has been paid to the Authority.

(iv) The Commonwealth Government has approved funding for the Gawler River Flood Mitigation Scheme under the Regional Flood Mitigation Program totalling \$8,713,371 of which \$7,998,726 has been paid to the Authority.

8 Reconciliation Statement of Cash Flows

8.1	Reconcile to operating activities	
	Net deficit from operations	(1,418,139)
	Adjust for non cash Items	
	Depreciation	191,510
	Increase in Accrued Grant Income	(251,762)
	Increase in Debtors - GST	(86,115)
	Increase in Accrued SMA Grant Income	(174,752)
	Reduction in Accounts Payable	(6,681)
	Increase in Accrued Expense - SA Water	188,660
	Net cash used in operating activities	<u>(1,557,279)</u>
8.2	Cash and cash equivalents	
	Balance at bank	7,926
	Balance at LGFA	22,610
	Total cash and cash equivalents	<u>30,536</u>

Gawler River Floodplain Management Authority

Schedule of Constituent Council's Interests in Net Assets as at 30th June 2012

Prepared to meet the requirements of Clause 15.5 of the Charter

"The 'Schedule of Constituent Councils' Interests in Net Assets' will reflect the proportionate contribution each Constituent Council has made to the growth of the net assets of the Authority having regard to the proportionate contribution to subscriptions. The Schedule when updated by the Board at the end of each financial year will reflect the proportionate contribution of each Constituent Council since the commencement of the Authority and once accepted by each Constituent Council will be evidence of the agreed proportion of a Constituent Council's interests in the net assets as at 30 June in that year."

For the purposes of this Clause all subscriptions by Constituent Councils have been included.

This Schedule has been prepared on the basis that the Authority was 'wound up' on 30th June 2012. The value of infrastructure and land as stated in the Audited Financial Statements at 30th June have been included. Grants and contributions from the Commonwealth Government, State Government and the Northern Adelaide Barossa Catchment Water Management Board that have contributed to these costs have not been deducted.

Calculation of Net Equity

Assets	
Investments / Debtors	\$ 544,222
Infrastructure	\$ 15,129,283
Land	\$ 326,364
	\$ 15,999,869
Less Liabilities	
Accounts Payable / Creditors	\$ 192,657
Net Equity	\$ 15,807,212

Allocation of Councils Interest in Net Assets

Constituent Councils	Accumulated Subscriptions for Operations to 30 June 2012	Accumulated Subscriptions for Maintenance to 30 June 2012	Accumulated Subscriptions for Scheme Works to 30 June 2012	All Subscriptions to 30 June 2012	Percentage of Contributions to the Total	Council's Interests in Net Assets
Adelaide Hills Council	\$ 43,666	\$ 623	\$ 70,988	\$ 115,277	2.62%	\$ 414,922
The Barossa Council	\$ 43,666	\$ 3,121	\$ 354,951	\$ 401,738	9.15%	\$ 1,445,994
Town of Gawler	\$ 43,666	\$ 6,242	\$ 709,892	\$ 759,800	17.30%	\$ 2,734,782
Light Regional Council	\$ 43,666	\$ 3,121	\$ 354,951	\$ 401,738	9.15%	\$ 1,445,994
District Council of Mallala	\$ 43,666	\$ 10,410	\$ 1,183,146	\$ 1,237,222	28.17%	\$ 4,453,189
City of Playford	\$ 43,666	\$ 12,487	\$ 1,419,763	\$ 1,475,916	33.61%	\$ 5,312,331
	\$ 261,996	\$ 36,004	\$ 4,093,691	\$ 4,391,691	100.00%	\$ 15,807,212

Schedule of Constituent Councils' Interests in Net Assets' as at the 30th June 2012 adopted by the Board in accordance with Clause 15.5 of the Charter on 16 August 2012.

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

Constituent Councils Adelaide Hills Council
 The Barossa Council
 Town of Gawler
 Light Regional Council
 District Council of Mallala
 City of Playford

ACHIEVEMENTS AGAINST THE BUSINESS PLAN 2011 – 2014

GRFMA BUSINESS PLAN

Adopted	3 rd April 2003
Amended	19 th February 2004
Amended	15 th June 2006
Amended	19 th June 2008
Amended	25 th June 2009
Amended	17 th June 2010
Amended	16 th June 2011

For the Period July 2011 to June 2012

Address: 3/58 Charles Street, Unley, South Australia 5061
Mobile: 040 778 2255
Email: deangollan@hotmail.com

Gawler River Floodplain Management Authority
Achievements Against the Business Plan 2011 – 2014 for the period July 2011 to June 2012

For the previous achievements see the Annual Reports for the years ending June 2003 to 2011.

Evaluation of Performance Against the Business Plan

This Statement of Achievements Against the Business Plan will form part of the Key Outcomes Summary to Councils following the meetings at which it is tabled. The Statement will be prepared for the October, February, and June Board Meetings. The June report will form part of the GRFMA Annual Report 2011 - 2012.

Part A: Funding

Performance Targets:	Timings:	To be measured By:	Actual Achievements
Secure Additional Project Funding	June 2009	All Councils, stakeholders and Governments agree to contribute to the project in accordance with the Plan	<input checked="" type="checkbox"/> Scheme Total now \$21,697,377 grants total \$16,879,982
Grant Claims	At all times	Lodge claims monthly for the payment of Commonwealth and State Government Grants.	<input checked="" type="checkbox"/> Claims lodged at the end of the month
Maintain positive Cash Flow	At all times	Positive bank account balances at all times.	<input checked="" type="checkbox"/> Positive cash flow maintained

Part B: Proposed Flood Mitigation Scheme Works

South Para Works			
<p>The South Para Reservoir is under the control and management of SA Water Corporation who have agreed to undertake the required modifications to the South Para Reservoir to provide the required level of flood mitigation capacity as a cost to the Scheme.</p> <p>Dam safety review and design proposal to modify the dam wall and spillway completed September 2005</p> <p>Detailed hydrology study of the catchment using the very latest methodologies let to Department of Transport, Energy and Infrastructure completed March 2007.</p>			
Performance Targets:	Timings:	To be measured By:	Actual Achievements
Detailed design of works	December 2010	Completion of detailed design and tender documents	<input checked="" type="checkbox"/> July 2011 Final approvals granted
Construction of the works	June 2012	Completion of construction	<input checked="" type="checkbox"/> Practical completion was reached on 25 June 2012

Gawler River Floodplain Management Authority
Achievements Against the Business Plan 2011 – 2014 for the period July 2011 to June 2012

For the previous achievements see the Annual Reports for the years ending June 2003 to 2011.

Gawler River Flood Mitigation Scheme – Mark Two

The Gawler River Floodplain Mapping study identified that post the construction of the Bruce Eastick North Para Flood Mitigation Dam and modifications to the South Para Reservoir there will remain 3,750 properties at risk of flooding in a 1 in 100 year flood.

The Gawler River Floodplain Mapping Study Part Two December 2008 undertook a preliminary assessment of possible local area levees that may be able to be developed to reduce the number of properties at risk. Levees at Gawler, Angle Vale and Two Wells were identified. Further mapping will be required to identify levee locations to protect Virginia.

The Gawler River Floodplain Mapping Study Addendum in 2009 identified that due to the annual flood damage losses the cost of developing additional flood mitigation storage on the North Para River could possibly meet the required cost benefit test to gain capital funding.

It is acknowledged that urban development is being planned in and adjacent to these towns where flood protection is proposed by implementing parts of these levees. It is in the regions interests that the region wide level of flood protection be raised to the 1 in 100 year standard by a consistent strategy that has been demonstrated as the most cost effective to implement.

The policy and legal framework around maintenance of rivers and creeks that are identified as flood ways requires clearer definition to be pursued through the LGA.

The Department for Transport Energy and Infrastructure has been requested to undertake a preliminary assessment of the North Para River to identify if there are opportunities to establish the required additional flood mitigation storage. This is seen as a critical first step in the development of a regional strategy.

This strategy has not been funded following the revision of the funding for the South Para Reservoir project.

Part B: Maintenance of the Scheme

Performance Targets:	Timings:	To be measured By:	Actual Achievements
Six monthly inspection	June and December	Completion of Inspection Report	<input checked="" type="checkbox"/> Sep 2011 – Dam Inspector inspection
Inspection following initial filling of the Dam	Within one month of event	Completion of Inspection Report	<input checked="" type="checkbox"/> Sep 2010 – Flood event ARI 7 dam water rose to 70m. Dam operates as designed. No property damage reported. Dried reed debris accumulated behind the dam wall. <input checked="" type="checkbox"/> Dec 2012 – Flood event > ARI 10 dam water rose to 72.5m HLOP operated. Dam operated as designed. No property damage reported. Dried reed debris accumulated behind the dam wall.

Gawler River Floodplain Management Authority
Achievements Against the Business Plan 2011 – 2014 for the period July 2011 to June 2012

For the previous achievements see the Annual Reports for the years ending June 2003 to 2011.

Part C: Operation of the Regional Subsidiary

Performance Targets:	Timings:	To be measured By:	Actual Achievements
Reports to Stakeholders	Twice yearly	The publication and distribution of a Fact Sheet to all stakeholders and affected landowners.	
	Bi-Monthly	Key Outcomes Summary to be published following each Board Meeting to include a summary of the progress of the development of the Scheme.	<input checked="" type="checkbox"/> June 2011 - Business Plan 2012 – 2014 adopted <input checked="" type="checkbox"/> April 2012 - Achievements against the Business Plan 2011 – 2014 completed
Maintain effective Regional Subsidiary	December	The performance of the Executive Officer be reviewed annually	<input checked="" type="checkbox"/> Next review due December 2012
	August	The appointment of Auditor, Bank Operators, levels of insurance, appropriate registrations, delegations and policies be reviewed annually.	<input checked="" type="checkbox"/> April 2012 – Auditor re-appointed up to 30 June 2014
Review of the Business Plan	By 31 st March	Review the Business Plan prior to preparing the Budget Forward to the Councils	<input checked="" type="checkbox"/> April 2012 – Approved for consultation
Annual Budget	By 31 st March, June, October, December, April	Adopt for consultation forward to Councils Adopt Budget – copy to Councils in 5 days Conduct Budget Reviews	<input checked="" type="checkbox"/> April 2012 – Approved for consultation <input checked="" type="checkbox"/> June 2012 – Budget 2012 – 2013 Adopted
Subscriptions	June December	Send half year subscriptions to Council Send half year subscriptions to Council	<input checked="" type="checkbox"/> All subscriptions paid for the year
Report to Constituent Councils	Following each Board meeting By 30 th September	The receipt of the following reports by Councils: <ul style="list-style-type: none"> • Board Meeting Key Outcome Summary • Annual Report including Annual Financial Statements 	<input checked="" type="checkbox"/> Key Outcomes Summary distributed following each meeting <input checked="" type="checkbox"/> Annual Reports forwarded electronically to Councils 5th September 2011

District Council of Mallala

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