

# District Council of Mallala

---



## Annual Report

2010 - 2011

---

District Council of Mallala

2a Wasleys Road Mallala SA 5502

T: 08 8527 0200 Fax: 08 8527 2242 E: [info@mallala.sa.gov.au](mailto:info@mallala.sa.gov.au)

[www.mallala.sa.gov.au](http://www.mallala.sa.gov.au)

---

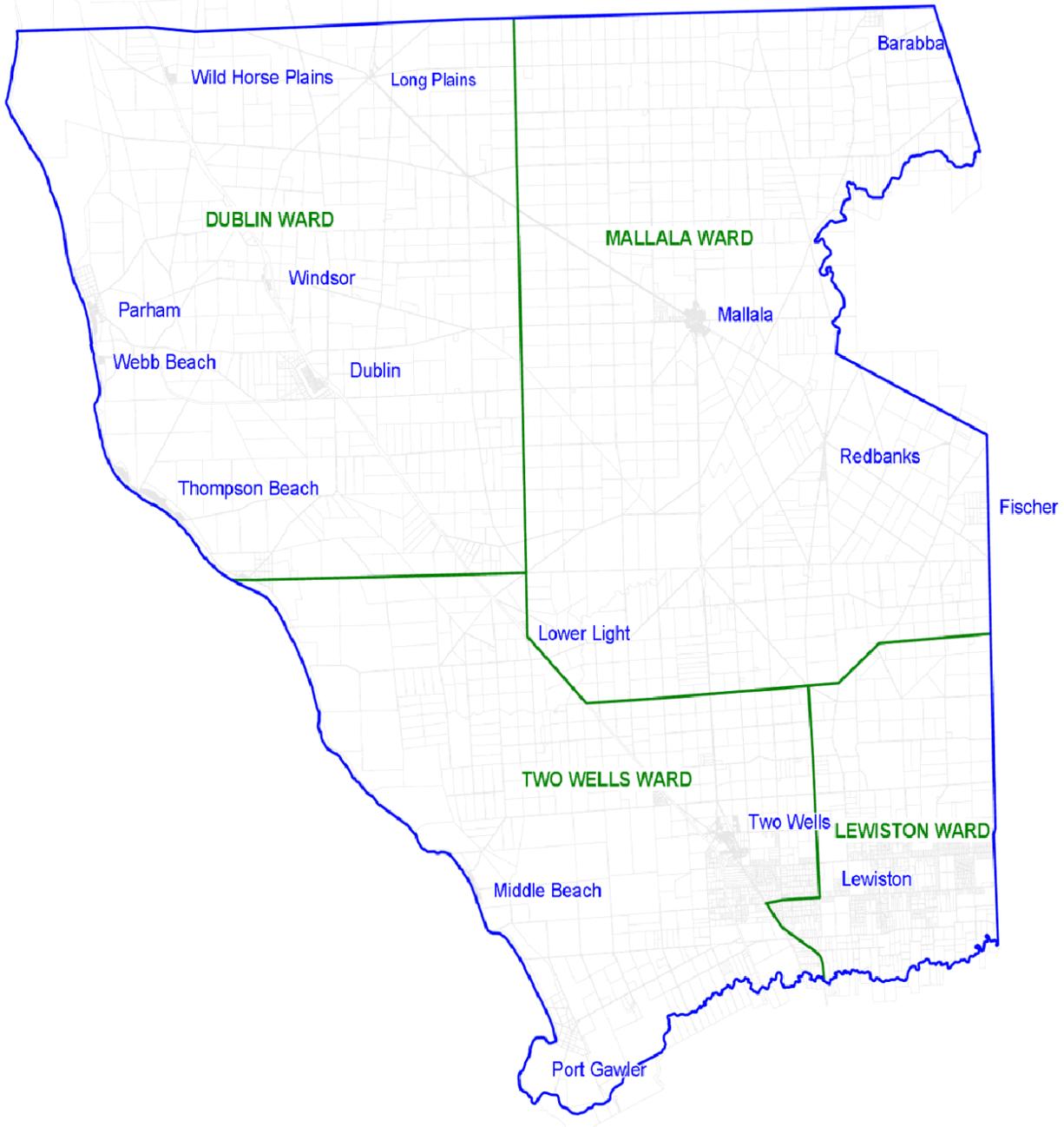
## CONTENTS

---

District Map - Ward Boundaries	3
Council Synopsis	4
Executive Summary	5
Vision, Mission & Values	6
Elected Members	7
The Year in Review	8
Elected Members Expenses & Allowances	10
Elected Members Meeting Attendance	12
Elected Members Training & Development	12
Senior Management	13
Community Development	14
Natural & Built Environment	22
Governance & Organisation	38
Appendix One- 2010-2011 Financial Statements	51
Appendix Two - Central Local Government Region Annual Report	95
Appendix Three - Gawler River Floodplain Management Authority Annual Report	116

---

# District Map - Ward Boundaries



# Council Synopsis

**Area of Council:** sq km

**Number of Rateable Assessments:**

**Number of Electors:** 5,580

**Total Population:** 8,365

## **Council Office**

a Wasleys Road, Mallala 5502  
(Principal Office)

Office Hours – Monday to Friday – 9am to 5pm – Excluding Public Holidays

*Telephone:* 8527 0200

*Fax:* 8527 2242

*Postal Address:* PO Box 18, Mallala 5502

*Email Address:* [info@mallala.sa.gov.au](mailto:info@mallala.sa.gov.au)

*Web Address:* [www.mallala.sa.gov.au](http://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

## Executive Summary

The District is made up of approximately 926km<sup>2</sup> 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 there 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 Council of Mallala in 2010 celebrated 75 years since the amalgamation of the Port Gawler, Grace and Lower Light Councils. The District now has approximately 8,500 residents, with major growth predicted in the next 5 to 20 years.

The District is home to some key industries including the successful D'Vine Ripe tomatoes producer at Two Wells and engineering firm Sharmans who produce many of the State's farming silos. The area is also home to many farmers involved in the wheat, barley, and 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 while protecting the rural character of the District.

# 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 & 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 & Open-Minded**
  - being proactive in continually improving our services

## Elected Members



### Mayor

Marcus Strudwicke  
Tel: 8527 2046  
dcmallala.marcus@gmail.com



### Deputy Mayor

Mark Wasley  
Tel: 8520 3342  
dcmallala.mark@gmail.com

## Dublin Ward

Cr Steve Jones  
C/- Post Office  
Lower Light SA 5502  
dcmallala.steve@gmail.com

Cr Terry-Anne Keen  
PO Box 118  
Dublin SA 5502  
dcmallala.terryann@gmail.com

## Mallala Ward

Cr Yvonne Howard  
3 Irish Street  
Mallala SA 5502  
dcmallala.yvonne@gmail.com

Cr Marcus Strudwicke  
4 Dublin Road  
Mallala SA 5502  
dcmallala.marcus@gmail.com

## Lewiston Ward

Cr Duncan Kennington  
290 Hayman Road  
Lewiston SA 5501  
dcmallala.duncan@gmail.com

Cr Karen McColl (November 2010)  
45 Aunger Road  
Lewiston SA 5501  
dcmallala.karen@gmail.com

Cr Anne Picard  
Po Box 581  
Virginia SA 5120  
dcmallala.anne@gmail.com

Cr Tom Summerton  
1 Aunger Road  
Lewiston SA 5501  
dcmallala.tom@gmail.com

## Two Wells Ward

Cr Joe Daniele  
8 Old Port Wakefield Road  
Two Wells SA 5501  
dcmallala.jo@gmail.com

Cr Jan Heley (November 2010)  
PO Box 779  
Two Wells SA 5501  
dcmallala.jan@gmail.com

Cr Mark Wasley (November 2010)  
Lot 414 Gordon Road  
Two Wells SA 5501  
dcmallala.mark@gmail.com

# The Year in Review

The Council continues to strive in improving its overall performance within an environment that is challenging but also rewarding to its community if 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 & 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 2010/11 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 & 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 regards to development in affected areas
- Increased investment in Council owned and controlled community buildings.

### **Governance & Organisation**

- Progressed planning 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 Expenses and Allowances

### Re-imbusement 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, sets this allowance annually. The allowance is to help cover the cost of performing and discharging their official functions and duties.

From November 2010, Elected Member allowances are set by an independent Remuneration Tribunal.

<b>Position</b>	<b>Allowance July 2009 to June 2010</b>	<b>Allowance July 2010 to June 2011</b>
Mayor	\$12,675.00	\$27,000.00
Deputy Mayor	\$ 9,506.00	\$ 9,375.00
Elected Members	\$ 9,506.00	\$ 6,250.00
Presiding Members of Council Section 41 Committees	\$7,500.00	\$ 9,375.00

### Payments made to Councillors

Total payments (includes travel allowance) made to councillors for the period 1 July 2010 to 30 June 2011 are as follows:

#### **Cr S M Strudwicke**

Allowance	27,168.75
Travel Reimbursement	0
<i>Total payments for 2009-10</i>	<i><u>\$27,168.75</u></i>

#### **Cr T A Keen**

Allowance	7,584.50
Travel Reimbursement	0
<i>Total payments for 2010-11</i>	<i><u>\$7,584.50</u></i>

#### **Cr Y L Howard**

Allowance	9,876.50
Travel Reimbursement	0
<i>Total payments for 2010-11</i>	<i><u>\$9,876.50</u></i>

#### **Cr S E Jones**

Allowance	7,584.50
Travel Reimbursement	0
<i>Total payments for 2010-11</i>	<i><u>\$7,584.50</u></i>

**Cr A Picard**

Allowance	8,417.84
Travel Reimbursement	1,988.23
<i>Total payments for 2010-11</i>	<i><u>\$10,406.07</u></i>

**Cr R J Fabrici**

Allowance	1,875.00
Travel Reimbursement	0
<i>Total payments for 2010-11</i>	<i><u>\$1,875.00</u></i>

**Cr J Daniele**

Allowance	7,584.50
Travel Reimbursement	731.12
<i>Total payments for 2010-11</i>	<i><u>\$8,315.62</u></i>

**Cr S J Kennedy**

Allowance	1,584.50
Travel Reimbursement	0
<i>Total payments for 2010-11</i>	<i><u>\$1,584.50</u></i>

**Cr J M Heley**

Allowance	6,000.00
Travel Reimbursement	958.50
<i>Total payments for 2010-11</i>	<i><u>\$6,958.50</u></i>

**Cr B J Summerton**

Allowance	7,584.50
Travel Reimbursement	1,651.50
<i>Total payments for 2010-11</i>	<i><u>\$9,236.00</u></i>

**Cr D Kennington**

Allowance	7,584.50
Travel Reimbursement	865.06
<i>Total payments for 2010-11</i>	<i><u>\$8,449.56</u></i>

**Cr A J Flaherty (OAM)**

Allowance	1,875.00
Travel Reimbursement	0
<i>Total payments for 2010-11</i>	<i><u>\$1,875.00</u></i>

**Cr M N Wasley**

Allowance	6,666.66
Travel Reimbursement	773.25
<i>Total payments for 2010-11</i>	<i><u>\$7,439.91</u></i>

**Cr K M McColl**

Allowance	6,000.00
Travel Reimbursement	1,628.96
<i>Total payments for 2010-11</i>	<i><u>\$7,628.96</u></i>

**Total payments to Councillors for 2010-2011*****\$115,983.37***

## Elected Members Meeting Attendance

At the 2010 Local Government Elections Cr Tony Flaherty was unsuccessful in gaining his position, Crs Rudi Fabrici, and Cr Steve Kennedy chose not to re-nominate. Council acknowledges their contribution to Council and the wider community. Councillors Mark Wasley, Karen McColl and Jan Heley being successful in their campaigns to be elected to Council. The newly Elected Members attended their first formal meeting in November 2010.

<b>Elected Member</b>	<b>Ordinary Meeting</b>	<b>Special Meeting</b>	<b>Total</b>
Cr Daniele	12	3	15
Cr Fabrici	3	1	4
Cr Flaherty	4	-	4
Cr Heley	7	2	9
Cr Howard	12	3	15
Cr Jones	11	3	14
Cr Keen	12	3	15
Cr Kennedy	1	-	1
Cr Kennington	12	1	13
Cr McColl	7	2	9
Cr Picard	11	2	13
Cr Summerton	12	3	15
Cr Strudwicke	12	3	15
Cr Wasley	8	2	10

## Training & Development Activities

During the 2010-2011 period Council undertook a range of legislative and procedural training, this included a review of Council's Code of Conduct which was facilitated by Michael Kellely. Council also took up partnership with the Light Regional Council in establishing a shared agreement with Norman Waterhouse Lawyers to provide specific training in respect to Elected Members, their roles and the legislative requirements of Council as a governing body. The program continues to be a success and is now an integral part of Elected Members ongoing induction, training and development ensuring they have the tools to adequately perform their roles.

Newly elected Councillors also attend Development Assessment Panel and Audit Committee training to provide them with a good induction into these vital committee's and the roles they play in Councils development and financial responsibilities. Members and management also attended the LGA Conference & General Meeting and the LGA Forum on Marine Parks.

## Senior Management



### **Chief Executive Officer Charles Mansueto**

Salary: \$147,407pa - Commenced 10 August 2009

(5 year contract expires August 2014)

Superannuation as per SA Superannuation 9% and Local Government Acts

Fully maintained vehicle for private use

Limited private use of mobile telephone



### **Manager, Environment and Development Services**

#### **Henri Mueller**

Salary: \$89,155

Superannuation as per SA Superannuation 9% and Local Government Acts

Fully maintained vehicle for private use

Limited private use of mobile telephone



### **Manager, Infrastructure & Engineering Services**

#### **John Tillack**

Salary: \$89,155

(1 July to 3 June 2011)

Superannuation as per SA Superannuation 9% and Local Government Acts

Fully maintained vehicle for private use

Limited private use of mobile telephone



### **General Manager, Corporate & Community Services**

#### **Peter Sellar**

Salary: \$115,000

(5 year contract - commenced November 2010)

Superannuation as per SA Superannuation 9% and Local Government Acts

Fully maintained vehicle for private use

Limited private use of mobile telephone



### **Manager, Community Services**

#### **Steve Bateman (1 July to 30 September 2010)**

Salary: \$86,367

Superannuation as per SA Superannuation 9% and Local Government Acts

Fully maintained vehicle for private use

Limited private use of mobile telephone

# Community Development



## Key Community Services

- Aged
- Celebrations & Events
- Civic Centres
- Community
- Community Engagement & Education
- Communication & Marketing
- Funding
- Library Services
- Training

## Aged

Council staff worked heavily with the Barossa & Districts Housing Association (BHDA) to ensure the smooth transition of the management of the Dunstan Court Units and Unit 2/7 Chivell Street, Mallala from Council to BDHA. Meetings were held with the Country Home Advocacy Project (CHAP), Access to Home Care and Healthlink to ascertain the pathway for home care and health support for residents. Better directives and pathways have been put in place to ensure accurate information and support is provided to residents.

Staff attended a 'Veteran Best Practice' - Working with the Aged, to ensure accurate information is provided to residents.

## **Celebrations and Events**

### **Two Wells Service Centre**

On the 6<sup>th</sup> of December 2010 the Two Wells Service Centre was open to the public for business. The official opening of the Two Wells Service Centre took place on the 23 March 2011, with dignitaries attending such as local MP's, Councillors and staff from neighbouring Councils and members of the Two Wells Regional Action Team Inc.

### **Information Stalls**

During December 2010 Council held information stalls at the Two Wells and Mallala Christmas Street Parades giving community members the opportunity to meet Council staff and promote the work and services Council provides the wider community.

### **Arts Calendar**

Council introduced an artist calendar which gave community members access to our first fringe event. Organisation commenced for an art exhibition to be held in conjunction with the SALA Festival 2011.

### **Promotion of Local and Government Events**

Council continued to work with key Local and State Government agencies to promote upcoming events relevant to the community. Council worked with the Town of Gawler to encourage young people to attend the Youth Week - Super Awesome Fun Fest held at the Gawler Sports and Community Centre, Friday the 8<sup>th</sup> of April 2011.

Five (5) new citizens were inducted over the past year with Council adopting a new Citizenship Ceremony Policy with four (4) ceremonies to be held annually.

A successful Australia Day event was held at the Mallala Oval with more than 100 in attendance with staff attending an Australia Day Forum at the Australia Day Council offices in Glenelg.

Council participated in Anzac Day and Remembrance Day, providing wreaths for services at both Two Wells and Mallala.

In collaboration with Wakefield Regional Council, Council once again co hosted the Adelaide Plains Emu Awards with a breakfast held at Two Wells. Council Community Services staff organised the event, including calls for nominations, review and selection of event category winners.

Council staff supported Dublin History Group with funding applications and the launch of the Dublin School Day Memories book.

### **Recognition**

As part of the 2010 National Volunteer Week, Council worked in conjunction with Town of Gawler staff again providing a free movie day with around 60 volunteers attending from Council. This continues to be a successful day. Recognition and support provided to volunteers has increased and this will continue.

### **Out of the Ordinary**

Channel Nine worked with several Mallala Museum Volunteers to capture the success of the committee's Wiki pilot, which the volunteers have implemented. The footage was broadcast on the Out of the Ordinary television series, which celebrates the success of Local Government communities.

### **Response**

Throughout the year staff received enquiries from community members regarding volunteer opportunities and roles, some of which were in relation to specific requirements such as Centrelink. Council staff worked with enquiring residents to gain the best result, often referring them to Northern Volunteering or Volunteering SA & NT. Staff ensured new volunteers received the appropriate registration and induction process, as required by the Local Government Mutual Liability Scheme.

### **Civic Centres**

Council continues to improve the availability and suitability of its Civic sites to the community with an improved focus on the maintenance of these sites in the past 12 months. Council has seen an increase in the public use of its facilities and this can be attributed to the development of Council's website and the awareness of staff.

Council's facilities continue to be utilised for Council and committee meetings, community groups and organisations, seminars, information sessions, employment networks and birthday's and weddings.

### **Community**

Council continues to provide vital support and services for the community and its events, held both regionally and within the District, facilitating greater pride in the community.

Council supported Mental Health Week, Family Week and National Walk Safely to School Day to promote up to date information and support networks to the community.

Staff worked collaboratively to implement a Healthy Active Workplace program, communicating lifestyle information to staff.

### **Community Engagement and Education**

#### **Local Government Association (LGA) Solar Councils Program**

At the March 2011 Meeting of Council it was resolved that the District Council of Mallala registers as a program partner in the Local Government Association (LGA) Solar Councils Program.

The LGA Solar Councils Program involves two (2) distinct projects. The first project involved a series of Council hosted forums aimed at increasing the uptake of solar energy and solar hot water systems in the community.

The second project funded by the Local Government Research & Development Scheme providing participating Councils with audited data and strategic advice on options for increasing solar systems on Council's own infrastructure. The LGA will also receive a report outlining the solar energy opportunities in Local Government as a sector.

After committing to the program, Council hosted a series of registration sessions allowing residents to meet with Zen representatives to discuss the program, find out more about solar energy systems and ask any questions they may have.

Two (2) information sessions were held within our region at the following locations:

**Monday 30th May** – Two Wells Community Centre – 4pm to 7pm

**Tuesday 31st May** – Mallala Institute – 4pm to 7pm

Attendances at both sessions were encouraging with many residents taking the opportunity to book in inspections of their residences. As at 30 June 2011 a total of eight (8) systems had been installed within the Council area.

Council provided the venue for the information sessions and assisted with the advertising of the Zen funded advertising campaign. All other costs pertaining to the information sessions were borne by Zen Home Energy Systems. There were many benefits to both the residents and Council from participating in the Program.

### **The Future Two Wells Residential Development**

The Hickinbotham Group facilitated a visioning process for the proposed development north of the existing town centre at Two Wells. The visioning process is the first stage of an integrated approach to planning the development and the activation of spaces to create places that are loved and used by the people that live, work and play within them.

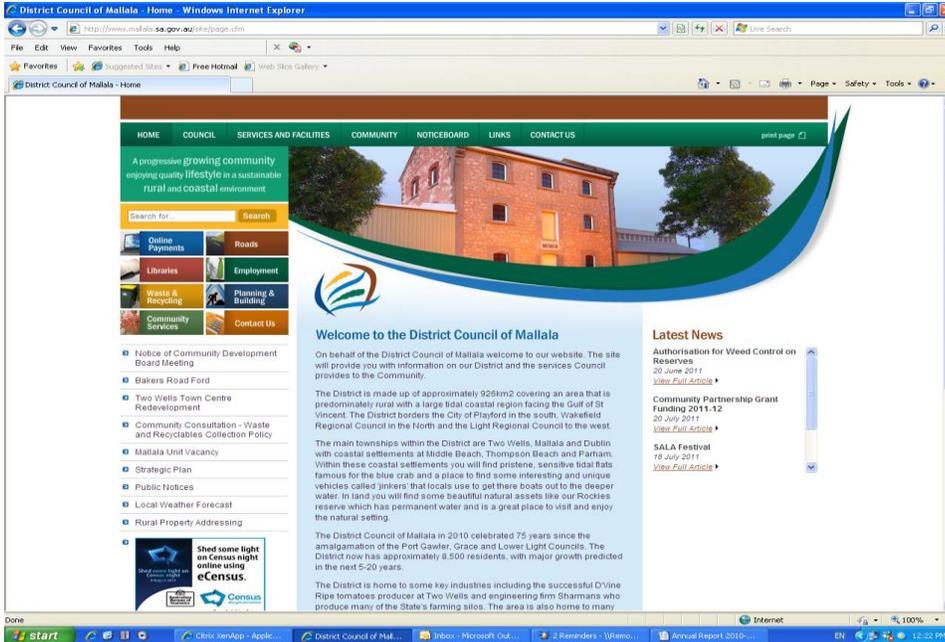
A number of workshops were carried out with the community, stakeholders and Council officers. A consistent approach amongst these groups were used by the developer to develop key themes, identify opportunities and challenges, what makes Two Wells special and to establish the 'personality' of the town, both now and moving into the future. People described the personality as:

"Two Wells is a caring, connected, resilient, can-do community. Steeped in rich history, it celebrates the past whilst looking forward to a prosperous future."

The community workshop developed, in groups, six (6) separate Concept Plans for the development, which were remarkably similar. The outcomes of the workshops consolidated in a report titled "Placemaking Road Map for Two Wells – Proposed expansion north of the existing town centre", which will be used to inform the next steps in the formal planning process.

### **Online Customer Service Centre**

In August 2010 the Council launched a new website, providing a facelift that is more contemporary and making navigation of the site much easier. Employees worked closely with the web designers, Secure e-Host, to ensure the best possible results. Throughout the year staff reviewed the content of the site and updated information as required. The new website has gained much positive feedback from staff and the wider community.



**Page Access Home**

**Month            Year    Hits**

June                    2011    3937

January                2011    4127

July                     2010    169

**Communication and Marketing**

The marketing of Council services and events has been high on the priority for Council staff this year with Council featuring regularly in local media communications.

**Funding**

Staff spent time locating relevant funding and assisting volunteers from community groups to apply for grant funding. Council received Federal funding through the Regional and Local Community Infrastructure Funding Programme (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 2 funding were met.

Council's Community Partnerships Programme moved into its ninth year, allocating \$50,000 towards community projects and Individual Sports and Cultural Funding. A highlight of this year's funding included \$200 granted to a Lewiston school student to travel to the USA to participate in a world challenge competing in Robotic Design and Innovative Research and Design after designing a collapsible silicone asthma 'spacer'. His team took third place out of 93 countries entered. Many community and sporting groups also take advantage of this opportunity for much needed funds.

## Library Services

The District Council of Mallala Library Service has continued to be well used and has assisted in the promotion of the Two Wells Customer Service Centre. Use of the library's Reading Room has increased significantly with regular weekly bookings by external organisations, which has resulted in increased library visitation and awareness of the facilities provided at the Two Wells Public Library. Usage of the library's wireless facility has increased slightly.

Mallala Branch Library continues to provide a relevant and tailored service to the township, and Windsor Branch Library continues to be used regularly.

The library's current stocks include 11,473 adult fiction/non-fiction and large print books and a total of 5,680 children's with a variety to suit all age groups.

## Facts and Figures

### Loans by Branch

<i>Collection Type</i>	<i>Two Wells</i>	<i>Mallala</i>	<i>Windsor</i>	<i>Total</i>
Adult Non Fiction	3028	242	66	<b>3336</b>
Adult Large Print	1420	206	85	<b>1711</b>
Adult Fiction	4690	519	536	<b>5745</b>
Children's Non-fiction	671	46	n/a	<b>717</b>
Children's Fiction	645	59	n/a	<b>704</b>
CD's (Music)	469	18	n/a	<b>487</b>
Hear-A-Books	118	4	n/a	<b>122</b>

Children's Adolescent (non-fiction & fiction)	102	n/a	n/a	<b>102</b>
DVD's	3580	471	n/a	<b>4051</b>
Magazines	2010	301	37	<b>2348</b>
Inter-library Loans	781	88	n/a	<b>869</b>
Other	210	14	n/a	<b>224</b>

### **Volunteers**

The library service continues to be well supported by its volunteers, resulting in a contribution of 416 hours at Two Wells Public Library and Windsor Branch Library. In addition the library hosted one (1) work experience placement. In December 2010 a small End of Year Function was held for the library's volunteers.

### **Two Wells Public Library iPad**

Two Wells Public Library participated in the 'Back to School with Britannica Challenge' run by Public Libraries South Australia and Encyclopaedia Britannica which required public libraries to sign up for a one hour training session held by Britannica. Libraries were asked to provide evidence of how they were promoting Britannica Online Library Edition within their library and statistics were tracked during January, February and March and compared with the corresponding statistics for the previous year. An additional 5 points were gained for those libraries which provided photographic evidence. The support and coverage of these programs and resources in Council's newsletter and website and local newspapers had a significant impact on the scoring in this competition, the prize of an Apple iPad, to the outright winners of the competition. The Council Library Service met the criteria and all library staff embraced the challenge with high spirits.

### **Library Members to use Tablet technology**

This new technology will provide many exciting possibilities to promote the library service and electronic resources to members of the library and provide a unique professional development opportunity for library staff.

### **Events and Programs**

The library has hosted a variety of new events, and participated in numerous programs over the past year. Involvement with local, state and national initiatives have included hosting events which have been part of Council's Arts Calendar, continuing involvement in the national Summer Reading Program, participating in the statewide history festival 'About Time' and conducting outreach services and library promotion to local community organisations. These initiatives continue to promote the library service to local community members, market Council's facilities to new audiences, and have all received positive feedback.

A total of 227 people attended and participated in 7 events as outlined below.

### **10 out of 10 for Touring Port Gawler and beyond**

As part of the "About Time" festival to celebrate South Australia's 175<sup>th</sup> Anniversary, the library service organised a bus tour of the Council region, which focused on a variety of heritage listed sites and local places of significance. This event was aptly named 'New, old and in between – tour Port Gawler and Beyond!' The event was promoted statewide in the official print and online "About Time" program. The response to this inaugural event was fantastic, with 45 local community members and visitors exploring the Adelaide Plains and learning about our 'own backyard'.

Highlights of the tour were Port Gawler, Mallala, Long Plains and Dublin. The old tradition of a 'packed lunch' was also revived to great acclaim. Local businesses and community groups supported this event by providing promotional material for the tour bags which every participant was excited to receive. The bags also included a brochure outlining the heritage significance of areas visited, which was developed by Council employees.

### **Fiona McCallum Literary Event**

In May 2011, the Two Wells Public Library hosted South Australian author Fiona McCallum for an insightful talk about her debut novel 'Paycheque'. Approximately 25 community members and visitors attended this event, which coincided with Library and Information Week and celebrated the libraries 4<sup>th</sup> Birthday.

Fiona talked about her personal experiences of growing up on the Eyre Peninsula, living in Sydney and the journey of publishing her first novel. This event was made possible by Meg's Bookshop and publisher Harlequin. This event gave members of the local community the opportunity to chat with Fiona, enjoy afternoon tea and learn more about one of South Australia's debut novelists.

### **The Premiers Reading Challenge (PRC)**

The PRC is a state wide challenge for students from Reception to Year 9 to read 12 books annually. Students receive an incentive medal each year for completing the challenge with 90% of South Australian schools participating. The Council Library Service is very supportive of this program that encourages young South Australians to improve their reading and has a colour coded collection of the resources listed with the program for easy selection. The program has been very popular since its introduction in 2004, with library staff helping children and parents to find appropriate and enjoyable books so they can meet the challenge and receive a medal of achievement each year.

### **Tax Help @ the Library**

The Tax Help program was again hosted by Council in 2010 at the Two Wells Public Library for the 7th time. This program takes place outside of traditional business hours on Wednesday evenings and Saturday mornings, which has ensured popularity for this program. Tax Help is a FREE service run by the Australian Tax Office and is open to individual taxpayers who need to lodge a tax return or form. The service is not open to individuals with business income, capital gains or losses or rental income.

### **Salvation Army Christmas Appeal @ Your Library**

Following on from the positive feedback in 2009, the library service and Council staff continued to support the Salvation Army Christmas Appeal in December 2010. The response was with a variety of donated non-perishable food items and gifts received.

### **Training**

Council staff hosted an Environmental Volunteer Training Workshop on the 22<sup>nd</sup> of March 2011 at the Dublin Institute. Staff also coordinated Child Safe Training for Council staff, community members and neighbouring Council employees.

Employees participated in workshops, community consultation and planning workshops for collaborative grant funding application for Men's/Community Shed via RDIF funding. The goal being satellite 'sheds' with Two Wells/Lewiston/Mallala area to be part of the focus group.

# Natural and Built Environment

## Key Infrastructure & Planning Services

- Building Assessment
- Coastal & Environmental Management
- Community Land
- Development Control
- Dog & Cat Management
- Fire Prevention
- Infrastructure & Engineering
- Projects & Road Works
- Policy & Planning
- Public & Environmental Health
- Waste Management

## Building Assessment

The building area has produced another busy year during 2010-11. A total of 94 inspections relating to Development Applications were performed during the financial year with 364 Development Applications received by Council, meaning approximately 26% of all applications were inspected. Once again the 25% target specified in Council's Building Inspection Policy had been met even though the total percentage of buildings inspected by Council was down by 3% on the last financial year; the productivity of inspections had increased. This is explained by the fact that for two months during last financial year no inspections occurred due to the Building Officer being on annual leave. The gross monthly inspections were up a total of 8%. From all inspections performed, the builders notified Council on 69 occasions (73%), which was the same high percentage as last year. This would indicate that our office has continued to get the message out to builders to perform their mandatory obligation of notifying Council. The remaining inspections were random inspections resulting from Council observations or by members of the public alerting us. Of the inspections performed, 82 (87%) related

to dwellings or dwelling additions, up by 2% on last year. This can be explained by the number of residential subdivisions occurring within the Council area. The remainder of applications inspected related to commercial, industrial and minor domestic structures.

The Council's Building Fire Safety Authority saw a number of changes to its members, namely the resignation of both CFS representatives Pat Ryan (Chief Fire Warden) and Maurie Parker (proxy to Chief Fire Warden). This meant the authority could not meet until early in the next financial year as the new Chief Fire Warden, Max McAlister, needed to be endorsed by Council as a new member of the Authority. Despite the change, a number of outstanding issues relating to Council owned buildings were successfully completed. The Building Fire Safety Authority along with Council's Asset Management Officer resolved all matters in relation to the Mallala Museum, Windsor and Dublin Institutes. Outside of Council owned assets, the Mallala Motor Sports Park was inspected with a number of issues in regard to egress and fire extinguishers being found, as well as a non-complying water storage tank. Thanks to the co-operation of the managers of the race course, many of these issues appear to be resolved and follow up inspections have been booked for the 2011-2012 financial year.

During the period there were some changes that occurred within the Building Code legislation. The Premises Standards were introduced in May that dealt mainly with access and egress issues for the disabled. A number of changes were made to the Building Code of Australia, although the meanings of some of these changes are still being debated between the states most influential Building Surveyors and the Department of Planning and Local Government; specifically in regard to requirements for existing buildings during building upgrades. The conflicting views of opinion relate to what is deemed an "affected area" in the advent of any additions to an existing building. The intention of the premises standard was to increase the usability of a building for the disabled, however issues such as mandatory upgrade of toilets is still being debated depending on the individuals interpretation of the wording of the changes. These issues will hopefully be resolved during the next financial year. There are some changes however that are clear, the width of openings has been increase from 800mm to 850mm and the configuration of the disabled toilet facilities has also changed.

## **Coastal Environment & Management**

During the 2010/2011 financial year a lot of work went into the Coastal area to protect and preserve the area's natural assets and to raise awareness about coastal issues affecting our area.

Much of this work was funded through the Adelaide and Mount Lofty Ranges Natural Resources Management Board and administered by the Coastal Officer hosted by Council. Key projects that were achieved during this reporting period include:

- **Revegetation** at Pt Gawler, Middle Beach, Pt Prime (photo 2 & 3), Thompson Beach, Parham, and Webb Beach with over 4,000 local native species being planted along the coast.
- **Weed control** in Parham, Webb Beach, Thompsons Beach, Pt Prime, Light Beach, Middle Beach, Pt Gawler and Buckland Park.
- **Rubbish Collection** and **track ripping** at Pt Prime prior to revegetation (photo 4).
- **Feral Animal Mapping** (Rabbit and Fox) on Council and Crown Land along Council's Coastline.
- **Vegetation Protection Fencing** at Parham, Webb Beach, Thompson Beach, Middle Beach, Pt Prime (photo 2) and Pt Gawler.
- **Interpretative Signage** installed at Pt Gawler to promote and educate on assets of the area, such as seagrass, mangroves and Migratory shorebird habitats (photo 1).

- **Engagement** with local residents and Community Groups to engender appreciation of native vegetation and coastal conservation. Participation in field days, seminars and workshops.

Conservation works are still continuing along the Coast with priorities set out in the Metropolitan Adelaide and Northern Coastal Action Plan (MANCAP) with funding through the AMLR NRM Board.

Council's coastal area contains some of the largest & most diverse temperate saltmarshes / samphire wetlands in Australia. The extensive tidal flats provide a significant resource & breeding ground for over 30 species of migratory shorebirds, many populations of national & international importance such as Sharp-tailed Sandpiper, Red-capped Plover and nationally significant Grey Plover & Curlew Piper to name a few.



Photo 1: New interpretative signs installed at Pt Gawler.



Photo 2: New fence installed to protect native vegetation from trail bikes and revegetation to help re-establish the native habitat.



Photo 3: Volunteers assisting with revegetation at Pt Prime.



Photo 4: Rubbish collected at Pt Prime.

### **Community Land**

All Local Government land became classified as Community Land when the Local Government Act 1999 came into effect from 1st January 2000.

Council has prepared a Register of Community Land containing (but not limited to) the following information:

Legal description and location of the land

- Commonly known name of land (if applicable)
- The area of the land
- The owner of the land – while predominately this will be Council there are several parcels of land owned by the Crown but under Council’s Care and Control.
- Copies of Community Land Management Plans under the following categories:

Management Plan 1	- Undeveloped Open Space / Reserves with Minor Improvements
Management Plan 2	- Cemeteries
Management Plan 3	- Port Parham Sports and Social Club
Management Plan 4	- Formal Gardens

- Management Plan 5 - Council Parks – Major Improvements
- Management Plan 6 - Stormwater Management
- Management Plan 7 - Community Buildings
- Management Plan 8 - Sports / Recreation Facilities
- Management Plan 9 - Two Wells Car Park Land
- Management Plan 10 - Historic Wells Reserve
- Management Plan 11 - Mallala Museum Gardens

Council identified through its improved asset management practices that each Community Land Management Plan required review and this process was due to commence in 2011. Council has engaged an external provider who will be responsible for assessing Councils assets within the 2011-2012 financial year. Council’s Register of Community Land is available for public inspection at the Council Office at 2a Wasleys Road, Mallala during ordinary office hours.

## Development Control

### Dog and Cat Management

Council is responsible for the management of dogs within the District pursuant to 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 3034 individual dog registrations and 116 business registrations. It was estimated that the average number of dogs on a dog business registration premises averages 15 dogs, which equates to approximately 1740 dogs. Total dogs registered, including business registrations was 4774.

### Dog Complaint Statistics

Complaint	2010/2011
Dog wandering at large	80
Dog impounded	131
Dog Returned to owner	51

Dog attack on Humans	5
Dog attack on Animals	13
Dog harass on Humans	1
Dog harass on Animals	6
Dog barking	4

Since the completion of Councils Dog and Cat Management Plan pursuant to Section 26A of the Dog and Cat Management Act 1995, policies and procedures are in the process of being produced for dealing with various dog and cat management issues. The dog off-leash area on Wells Road Two Wells which was officially opened on the 15<sup>th</sup> August 2008 has been used regularly by the public.

Whilst Council has 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 Council 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.

<b>Section 105F Statistics</b>	<b>2010/2011</b>
Section 105F Notices Issued	355
Council action required	9
Expiations Issued	0

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 purpose of burning off stubble in agricultural pursuits. As the District is largely agricultural, with predominance for cropping, the agricultural practice of burning stubble to lessen weed and pest infestation is followed. During the fire danger season, Council's Fire Prevention Officer continues to issue permits for that purpose, with 31 fire permits issued for the 2010/2011 season.

## Infrastructure & Engineering

Infrastructure and Engineering Services (IES) manages and maintains Council's civil assets including roads, footpaths, bridges, above ground and underground drainage, parks and gardens, reserves, street scapes, roadside vegetation, depots, quarry operations and support to emergency services in the preparation, response and recovery phases of emergency management.

The IES team is based at the Mallala Depot Site, Aerodrome Road, Mallala.

The IES team's core roles include:

- Planning for and design of infrastructure to cater for the community's current and future needs,
- Road construction and maintenance of sealed and unsealed roads of the 1200km road network throughout the Council district, including road signage, street sweeping and street lighting,
- Asset management of Council's infrastructure and assets,
- Engineering assessment of development applications in accordance with civil construction design standards and guidelines of Council,
- Maintenance and construction of parks, gardens and reserves incorporating irrigation designs and systems promoting preservation of water resources,
- Slashing of roadsides and reserves adhering to native vegetation guidelines to protect and promote remnant and native vegetation species unique to the district,
- Promoting and maintaining positive relationships with other government departments to assist in best practice management for infrastructure planning,
- Maintenance of facilities to meet community needs such as cemeteries and public conveniences within the Council district,
- Liaising with the Adelaide and Mt Lofty Ranges Natural Resources Management Board for conservation and protection works occurring in the Councils rural and coastal areas,
- Engaging and facilitating community groups and other stakeholders in implementing coastal environmental works including, weed and pest control, site regeneration and revegetation (planting of local native species).

## Projects and Works

### Road Construction

The construction and seal of a kilometre of Germantown Road (Hayman to Dawkins Roads) Two Wells, and 1.6 kilometres of Gawler River Road (Bethesda to Judd Roads) Lewiston where completed during the period.

### Revegetation

Sites at Cannizzaro Reserve and Hams Park, Lewiston were revegetated with local indigenous species of trees, shrubs, forbes (herbaceous annuals and perennials) and native grasses which included;

<i>Allocasuarina verticillata</i>	Drooping Sheoak,	<i>Acacia pycnantha</i>	Golden Wattle,
<i>Acacia nyssophylla</i>	Spiny Wattle,	<i>Atriplex Semibaccata</i>	Berry Saltbush,
<i>Austrostia nodosa</i>	Spear Grass,	<i>Bursaria spinosa</i>	Christmas Bush,
<i>Chloris truncate</i>	Windmill Grass,	<i>Enchyleana tomentose</i>	Ruby Saltbush,
<i>Eucalyptus camaldulensis</i>	River Redgum,	<i>Melaleuca lanceolata</i>	Moonah,
<i>Maireana brevifolia</i>	Blue Bush,	<i>Rhadodia parabolic</i>	Meally Salt Bush

*Senna artemisioides*

Punty Bush,

*Vitadina australis*

New Holland Daisy.



**Tree planting at Cannizzaro Reserve with the Correctional Services Team**

**Rail Corridor Vegetation**

A project initiated by the Department of Transport, Energy and Infrastructure (DTEI) in conjunction with the Australian Track and Rail Corporation (ARTC) and Council included the removal of vegetation at four (4) rail crossings to improve the line of site. The safety upgrade included Simpkin, Pratt, Gallipoli and Old Dublin Roads. The project cost \$17,359.



**Before**



**After**

### **Lewiston Playground**

210 Hayman Road, formally a Council owned residential dwelling, was changed into a playground and is located on the corner of Pederick and Hayman Roads, Lewiston. The play equipment was placed central to the established trees, utilising the canopies to provide shade and complimenting the bright colours, making the environment aesthetically pleasing for the community. The playground has provisions for car parking and is situated near the adjoining Lewiston Horse Trails and Wetlands, the total cost of the project was \$83,000.



**Lewiston Playground**

### **Mallala Museum**

The Mallala Museum required a staircase upgrade due to the treads at the top being non-compliant under the Building Code of Australia. This meant that the upper floor of the museum had to be closed to the public for safety reasons until the project was completed. The project was budgeted at \$30,000 with final costs coming in at \$14,000 as a result of good planning and professional workmanship of staff and contractors. The alterations and upgrade has provided a safer and easier passage to the upper floor level to view and experience the historic items on display.



**Before (Staircase) After**

Additional upgrades that were completed included re-roofing of the old school building, inclusive of new guttering and internal ceiling replacement, totalling \$15,500. The main structure and school also had security and fire alarms installed.



**Before (Old School Building) After**

All projects were completed in time for History Week to which the museum hosted functions and had over 60 guests attend.

**Sealed Roads**

Roads or sections of roads resealed - \$90,000.

**Mallala**

Irish Street

Butler Street

**Two Wells**

Old Port Wakefield Road

**Unsealed Roads**

Selected sections of re-sheeting (new wear course of 100 mm of crushed limetstone) occurred on 7.5 kilometres of road.

**Port  
Gawler**

**Calomba**

**Dublin**

**Long  
Plains**

**Reeves  
Plains**

**Korunye**

**Barabba**

Applebee Road	Powerline Road	Shannon Road	Ridley Road	Germantown Road	Pratt Road	Fidge Road
						Barabba Road

### **Paving / Footpaths**

#### **Dublin**

First Street (70 metres)

Second Street (50 metres)

#### **Mallala**

Redbanks Road (170 metres)

### **Equipment/Plant Purchases**

Council purchased the following major plant and equipment during 2010-11:

Tractor – replacement and upsize

### **Landfill Closures**

The Mallala Resource Recovery Centre was once a landfill site. This site, under the guidance of the Environment Protection Authority has begun an extensive closure program. Council have budget \$340,000 which includes surveying, replacement of top soil, drainage ponds and revegetation of the site.

### **Policy Planning**

#### **Land Use Policy**

Council is required under the Development Act 1999 to review its Current Development Plan so that it accords with the direction of the State Strategic Plan and the 30 year Plan for Greater Adelaide. The State Strategic Plan is a peak strategy document developed by the State Government to which all subordinate plans must link to.

The 30 year Plan for Greater Adelaide is the spatial representation of the State Strategic Plan. It was finalised in February of 2010 and all Councils are now required to review their Development Plan and identify a program to make changes to their Development Plans over the next five (5) years to reflect these directions. The review of Councils Development Plan has commenced and is anticipated to be completed in mid 2012.

Current Development Plan Amendments in progress include the Mallala Township which will examine the 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.

Council is currently revising its Development Plan so that it accords with the required State Government Policy library. This process involves rationalising the number and types of zone names that are used across the State in attempt to simplify the zone naming and intent of land uses that currently exist. The outcome is not intended to change any of the existing objectives or land uses within current zones but merely to improve the format and naming protocols of the land use zones. A

draft of this document has been produced and is expected to be released for consultation in early 2012.

The Two Wells Residential and Commercial Development Plan Amendment have been deferred until the outcomes of the Light River Flood Plain modelling are complete. This work is anticipated to be completed in the latter part of 2011 and will assist in determining the exact extend of area that can be rezoned to accommodate future population growth for metropolitan Adelaide.

In this regard the Council has been working with the Hickinbotham Group to determine all the information that will be required to inform the first step of the Development Plan Amendment process which identifies the subject area of land to be rezoned and the necessary investigations that must be carried out.

### **Two Wells Township Design Guidelines and Masterplan**

Council has completed the draft guidelines that will inform the future development outcomes of the Two Wells Township, and in particular the main street. The document is intended to respond to the future growth potential of services that will occur with the expected population growth at the northern end of the township.

These guidelines were out for consultation and it is expected that they will be presented to Council in the next financial year with the outcomes of the community and state agency consultation.

### **Public & Environmental Health**

The Public and Environmental Health Act 1987, requires Local Government to take responsibility in the administration of public health issues such as sanitation, control of vectors, the prevention and control of diseases in its own locality and investigation of health complaints. Local Government must ensure that guidelines and standards, pursuant to this act, are adopted and enforced to areas such as future development, community concerns and health promotion.

There are five (5) registered hairdressing / beauty premises within the Council area and one (1) swimming pool which are inspected on a regular basis. During the 2010-2011 financial year a total of eighteen (18) 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 independently audited under the Public and Environmental Health (Legionella) Regulations 2008 to ensure proper maintenance of the systems and to minimise the incidence of legionellosis.

### **Food**

Council continues to undertake its legal responsibilities under the provisions of the Food Act 2001 with the resources available. During the 12 month period to 30 June 2011 there were forty (40) food premises inspected on a regular basis within the district. 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 region.

During the reporting period, only one (1) food complaint was received involving food safety. Complaints are followed up with inspections and matters involving food safety are usually resolved without further action. There are currently three (3) businesses (one (1) community hospital and two (2) child care facilities) that prepare food for vulnerable persons. These facilities are independently audited to comply with the requirements of the Food Act 2001 although Councils EHO still retains enforcement powers relating to any non-compliance of these premises.

The Council Website has recently been upgraded and information is available relating to the relevant legislation and codes, food business notification, food handler training and links to other food related information.

Earlier this year the "I'm Alert" online Food Safety Training Program was launched by Council. This was mainly in response to the increased numbers of enquiries regarding food safety training and the lack of training amongst community groups in particular. The site is also linked to the Council Website and the launch was coordinated with articles in the Communicator and the local print media the Plains Producer, Bunyip and Echo.

The response from the public has been very positive with most people finding the ease of access and the interactive format very informative. The goal is ultimately to have all food handlers, who don't have formal qualifications, completing the course.

### **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 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 three (3) disease notifications which required investigation during this reporting period.

### **Vector Control**

Council's Public and Environmental Health Section regularly liaise with the Department of Health Services 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**

Council is a contributor to the European Wasp Equalisation Fund. During the reporting period there were no European Wasp Nests either identified or destroyed. Residents are encouraged to report European Wasp sightings, 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 be a major proportion of compliance under the Act with the receipt of 108 applications for installation or alteration of wastewater systems and ninety-four (94) inspections conducted in the reporting period.

During this period there were a total of five (5) 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 conventional septic tank systems with alternating trenches, to the more technically advanced Aerobic Waste Treatment Plants and Sand Filter Systems, as well as a Septic Tank Effluent Disposal (STED) Scheme at Middle Beach.

## **Waste Management**

Council operates and manages an alternating domestic waste and recycling collection. Residents residing in the rural living areas are provided with a 240 litre MGB for recycling purposes. Residents residing in the townships, 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 twenty-six (26) tonnes of recyclables per fortnight, which equates to an average of 10.5 kilograms per household.

Council collects approximately 9.5 tonnes of green waste per fortnight this includes food organic waste, which equates to an average of 22.5 kilograms per household. (Approximately 420 residents)

Domestic waste and recyclables are transported either to the Northern Adelaide Waste Management Authority (NAWMA), or Inkerman, to be further sorted and processed. Green waste is transported to Peats Soil, Dublin for composting into garden products.

The waste collection tonnage statistics for the reporting period were:

Waste . . . . . 1450 tonnes  
Recycling . . . . . 570 tonnes  
Green waste . . . . . 210 tonnes

**Total . . . . . 2230 tonnes**

Council is committed to reducing waste to landfill and its dedicated Waste Management Unit is responsible for the collection and disposal of all waste, including resource recovery programs.

## **Illegal Dumping**

The issue of illegal dumping is a major concern. Council removes approximately 400 - 450 loads of illegally dumped waste per annum, ranging in size from bags to trailer loads of domestic waste associated with residential premises, to contractors depositing semi-trailer loads of waste including tyres, asbestos and building materials. Illegal dumping is not only limited to road verges, but also occurs on beaches, parks, reserves, creeks and other watercourses.

A successful grant funding application for Councils 'We're Out to Get You' campaign received from Zero Waste SA allows Council to install surveillance cameras to monitor vehicle movement; detect licence plates and record evidence to prosecute those dumping on roadsides.

In the past it has been difficult to prosecute persons for illegal dumping due to lack of evidence in most cases; however, Council is hopeful that once cameras begin to catch them out, offenders will get the message. Council is working very closely with the media who are very keen to run stories regarding this issue. Council will continue to liaise with SAPOL and other enforcement agencies to ensure that persons caught illegally dumping waste will be prosecuted and suffer the consequences of their actions.

## **Chemical Drum Program**

Council continues to participate in the Drum Muster collection program which provides a farm chemical metal drum crushing and plastic container recycling service to farmers and orchardist in the area. With on-going support from the farming community, approximately 4000 containers were collected and recycled during the current period.

# Governance and Organisation

## Key Governance & Organisation Services

- Customer Service
- Financial Management
- Governance
- Human Resource Management
- Information Technology
- Rating and Property
- Records Management
- Risk Management & OHSW&IM

## 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

such works and services. 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 4<sup>th</sup> 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 2<sup>nd</sup> Monday monthly, and the Strategic Community & Governance Committee the 3<sup>rd</sup> Monday monthly. Each of these committees consists of all elected members and meet to discuss items required to be considered by full Council at the Ordinary meeting with the view to providing greater opportunity for discussion and information while stream-lining the decision making process.

Council's Development Assessment Panel meets the 1<sup>st</sup> 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. In accordance with Council's Public 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 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](http://www.mallala.sa.gov.au).

### **Customer Service**

With Council having identified a need to provide greater Customer Service and establish a consistent, communicative approach to the wider community the Two Wells Service Centre was established in December 2010. Formally the offices of the Two Wells Regional Action Team, Council set about renovating and re-modelling the site with the view to providing a Monday to Friday 9am to 5pm Customer Service to the Two Wells, Lewiston and wider community. In addition to Customer Service staff Council's Planning & Compliance operations also moved into the facility. Since its opening on the 6<sup>th</sup> of December 2010 Council has had positive feed-back from the wider community and this has seen a more focused, committed service to the South of the District.

With the opening of the Two Wells Service Centre an additional Customer Service Officer was employed and this has seen Customer Service staff be available to provide greater administrative support to Council's operations while multi-skilling and providing greater opportunity to a number of staff.

Late in the period Council was one of twelve (12) Councils to have its Complaints Handling policies and procedures audited by the State Ombudsman. The audit involved a pre-visit questionnaire / survey which Council was required to complete and provide evidence to. The Ombudsman's Office reviewed this evidence prior to scheduling a visit to Council meeting with the CEO and General Manager Corporate & Community Services. The Ombudsman was happy with Council's strategic direction and with the work already undertaken by Council in an effort to ensure best practice with its complaints handling requirements. Council continues to address some of the minor administrative issues identified as part of the audit process.

## **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 2011**

Council's auditor, Ian McDonald, audited and recently accepted and signed the District Council of Mallala Annual Financial Statements, without qualification. The Council accepted and signed the statements at its general meeting on Monday the 28<sup>th</sup> of November 2011.

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 was satisfactory. Council's aim of producing a positive operating result continues to provide a challenge whilst the debt level remains satisfactory, and Council's performance in maintaining and renewing infrastructure assets is within industry target range.

### **National Competition Policy**

Council commenced a review of its By-Laws and consultation requirements during the period, its is expected that By-Law No:1 – Permits & Penalties, By-Law No:3 – Roads and By-Law No:5 Moveable Signs will be gazetted early in the 2011-2012 reporting period. Council continues to work on its By-Law No: 2 Local Government Land & By-Law No: 4 Dogs.

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 Chairman. 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.

**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.

**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 reviewed its Community Consultation Policy during the period undertaking community consultation as part of the review process. Council's 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](http://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](http://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 & 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 Standards
- Delegations Policy
- Disposal of Assets other Than Land Policy
- Disposal of Surplus Community Land
- Elected members Code of Ethics
- Employees Code of Ethics
- Expenditure of Goods, Services and Works Policy
- Funding Policy
- Individual / Vulnerable Groups Policy
- Records Management Policy
- Risk Management Policy
- Tender & Purchasing Policy
- Treasury Management Policy
- Volunteer 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 reviewed and ratified 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](http://www.mallala.sa.gov.au)

### **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 Decisions, however one (1) internal review was resolved during the period and this was in-relation to Council's community consultation and development of the Lewiston Playground situated at 210 Hayman Road, Lewiston. 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 the period with the view to better aligning its committees to its 2011-2014 Strategic Plan and its objectives and both the Strategic Infrastructure & Planning and Strategic Corporate & Governance Committees. Council undertook considerable consultation with current committees and the community as a whole, including a number of meetings with current members. The review saw the renaming and amalgamation of a number of committees with some committees being disbanded. While the review is complete not all current committees have yet made the transition, with those committees considering their options.

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](http://www.mallala.sa.gov.au):

- Audit Committee
- CEO Appraisal Panel
- CEO Selection Panel
- Coastal Management Advisory Committee – disbanded 27<sup>th</sup> April 2011
- Community Development & Advisory Committee – established 27<sup>th</sup> April 2011
- Community Development Board – disbanded 27<sup>th</sup> April 2011
- Community Partnerships Programme Steering Committee – disbanded 27<sup>th</sup> April 2011
- Dublin Institute Committee – disbanded 27<sup>th</sup> April 2011
- Economic Development Advisory Committee – established 27<sup>th</sup> April 2011
- Environmental Management Advisory Committee – established 27<sup>th</sup> April 2011
- Facilities & Infrastructure Management Advisory Committee – established 27<sup>th</sup> April 2011
- Mallala Greening Committee – disbanded 27<sup>th</sup> April 2011
- Mallala & Districts Aged Homes Committee
- Mallala & Districts Historical Committee
- Mallala Institute Committee – disbanded 27<sup>th</sup> April 2011
- Mallala Sports Park Complex Committee – disbanded 27<sup>th</sup> April 2011
- Windsor Institute Committee – disbanded 27<sup>th</sup> April 2011.

## **Allowances**

Members of Council's Audit Committee and Council's Development Assessment Panel are entitled to receive an allowance within the limits imposed by legislation. The 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: \$5,280

### **Council Development Assessment Panel**

- Mrs. Debra Scott \$330
- Mr. Ian O'Loan: \$1,200
- Mr. Rob Veitch: \$1,500
- Ms. Sandra Foote: \$1,980
- Mr. Trevor White: \$1,400

**Total: \$6,410**

## **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 the Central Local Government Region (CLGR) and the Gawler River Floodplain Management Authority (GRFMA), in accordance with Section 28(3) Schedule 2 of the Local Government Act, 1999. The CLGR & GRFMA Annual Reports are provided as Appendix Two & 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 Councils roles in addition to performing a range of additional tasks and responsibilities to achieve requirements set out in its Annual Business and Strategic Plans.

With the Organisational Review having taken place there were a range of position changes and changes in specific titles. While not complete the review has seen a change in Councils management structure. Council continues to require resourcing in its Planning & Compliance sections, and would further benefit from specific Human Resources direction. Council continues to be 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 has established an internal working party consisting of employees from all departments who are charged with focusing on the personal and professional development of the organisation and providing a social environment for all staff.

Management again held a number of All Staff Organisational Development sessions facilitated by an external provider with the focus on the internal development of the organisation and aligning employees focus with Council's Strategic Framework.

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

<b>Directorate</b>	<b>Male</b>	<b>Female</b>	<b>Full Time</b>	<b>Part Time</b>	<b>Casual</b>	<b>Contract</b>
<b>Governance</b>						
Chief Executive Officer	1					1
Executive Assistant		1	1			
<b>Totals – Governance</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Corporate &amp; Community Services</b>						
General Manager	1					1
Administration Officer		1		1		
Finance Co-ordinator	1		1			
Finance Officer		1		1		
Payroll / HR Officer	1			1		
Accounts Payable / Receivable Officer		1	1			
Rates / IT Officer	1		1			

---

Governance Co-ordinator	1		1			
Customer Services Officers		5	3	2		
OHS Officer	1		1			
Library Services Co-ordinator		1	1			
Library Assistants		2		2		
Community and Communication Officers		2		2		
Cleaners		1			2	
<b>Totals – Corporate &amp; Community</b>	<b>6</b>	<b>14</b>	<b>9</b>	<b>9</b>	<b>2</b>	<b>1</b>

<i>Directorate</i>	<i>Male</i>	<i>Female</i>	<i>Full Time</i>	<i>Part Time</i>	<i>Casual</i>	<i>Contract</i>
<b>Environment &amp; Development Services</b>						
Manager	1					1
Administration Officer		1	1			
Development Co-ordinator	1		1			
Planning Officer		1	1			
Planning / Compliance Officer	1		1			
Building Officer	1		1			
Environmental Health Officer	1		1			
General Inspector	1		1			
<b>Totals – Environment &amp; Development</b>	<b>6</b>	<b>2</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Infrastructure and Engineering</b>						
Manager	1					1
Administration Officer		1	1			
Assets Co-ordinator	1		1			
Works Co-ordinator	1		1			
Coastal Officer		1	1			
Senior Horticulture Officer		1	1			
Senior Workshop Officer	1		1			
Senior Waste Officer	1		1			
Waste Management Officers	3		3			
Horticulture Officers	2	1	3			
Maintenance and Construction	12		12			
<b>Totals – Infrastructure &amp; Engineering</b>	<b>22</b>	<b>4</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Overall Totals</b>	<b>35</b>	<b>21</b>	<b>42</b>	<b>9</b>	<b>2</b>	<b>4</b>

## Information & Technology

The development of the Two Wells Service Centre saw an increase in IT and Communications requirements and provided for minor teething problems. Council is still yet to commence the implementation of the TRIM records management system. The adoption of this system will provide a more secure and efficient records management system.

## 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 June 27<sup>th</sup> 2011 Council meeting Council resolved that the 2011-2012 Financial Year Rate Instalments would be:

2<sup>nd</sup> of September 2011, 2<sup>nd</sup> of December 2011, 2<sup>nd</sup> of March 2012, and 1<sup>st</sup> of June 2012.

## Electorate 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. Council will undertake this process again in 2016/2017.

Section 26 & 33 of the Local Government Act 1999 outlines 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:

<b>Council</b>	<b>Electors</b>	<b>Total Members</b>	<b>Representative Ratio</b>
Clare & Gilbert Valley	6454	10	645
Coorong	4011	9	445
Grant	5680	10	568
<b>Mallala</b>	<b>5580</b>	<b>11</b>	<b>507</b>
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 important 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.

### **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 & Documents. The following documents are available for public inspection at Council's Principal Office - Mallala or by visiting Councils website at [www.mallala.sa.gov.au](http://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
- Community & Development Policies
- Council & Committee Agendas & Minutes
- Council By-laws
- Delegations Register
- Development Plans
- Economic Development Policies
- Elected Members & Employees Code of Ethics
- Governance and Organisation Policies
- Long Term Financial Plan
- Natural and Built Environment 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, 2011.

### **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 and its Section 41 Committees utilised the following provisions of Section 90 & 91 of the Local Government Act 1999 to consider confidential matters during the period:

- 90.2            nineteen (19) occasions
- 90.2(a)        one (1) occasion
- 90.3            five (5) occasions
- 9.3(a)          eight (8) occasions
- 90.3(h)        four (4) occasions
- 90.3 (i)        two (2) occasions
- 90(3)(k)       one (1) occasion
- 91(7)           twenty-three (23) occasions &
- 91(9)           fifteen (15) occasions.

Council's Development Assessment Panel utilised Section 56A(12) 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 Program which has seen a number of changes within Councils own administrative requirements with a number of policy and procedure changes through the period, Council continues to work with the LGA and the implementation of components of the One System. Council also undertook the LGA One System Implementation Program which provided a greater emphasis on management to be involved in the planning and development of Councils OHSW&IM System.

Council was audited by the LGA on three (3) occasions during the period with audits being completed on Council's OHSW&IM System, WorkCover Administration and Risk Management practices. Council performed well receiving the maximum financial rebate with an additional two (2) bonus financial rebates for Risk Management and OHSW&IM during the period. 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.



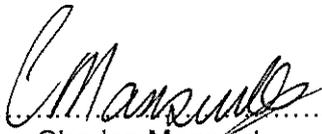
# DISTRICT COUNCIL of MALLALA

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2011

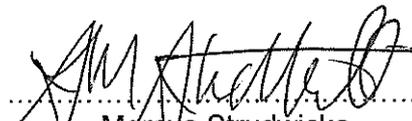
### CERTIFICATION OF FINANCIAL STATEMENTS

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 2011 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: 29. 11. 11

**District Council of Mallala**

**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 30 June 2011

	Notes	2011	2010
<b>INCOME</b>			
Rates	2	5,737,670	5,370,787
Statutory charges	2	255,724	253,923
User charges	2	87,887	135,565
Grants, subsidies and contributions	2	1,431,949	1,468,859
Investment income	2	68,198	38,044
Reimbursements	2	582,437	402,682
Other income	2	46,358	47,330
Net gain - joint ventures & associates	19	3,109	
<b>Total Income</b>		<u>8,213,332</u>	<u>7,717,191</u>
<b>EXPENSES</b>			
Employee costs	3	3,394,391	3,026,941
Materials, contracts & other expenses	3	3,658,046	2,989,634
Depreciation, amortisation & impairment	3	1,599,005	1,789,312
Finance costs	3	265,309	216,554
Net loss - joint ventures & associates	19		18,946
<b>Total Expenses</b>		<u>8,916,751</u>	<u>8,041,386</u>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>(703,419)</b>	<b>(324,196)</b>
Asset disposal & fair value adjustments	4	(170,233)	(131,121)
Amounts received specifically for new or upgraded assets	2	260,397	184,419
<b>NET SURPLUS / (DEFICIT)</b>		<b>(613,255)</b>	<b>(270,897)</b>
transferred to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	2,645,737	-
Adjustments to rectify accounting processing errors in 2009/10		-	25,420
Share of other comprehensive income - joint ventures and associates	19	124,758	-
Impairment (expense) / recoupments offset to asset revaluation reserve	9	(234,086)	-
<b>Total Other Comprehensive Income</b>		<u>2,536,409</u>	<u>25,420</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>1,923,154</u>	<u>(245,477)</u>
Share of Net Surplus / (Deficit) Council		<u>(613,255)</u>	<u>(270,897)</u>
Share of Other Comprehensive Income Council		<u>2,536,409</u>	<u>25,420</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>1,923,154</u>	<u>(245,477)</u>

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

## District Council of Mallala

### BALANCE SHEET as at 30 June 2011

	Notes	2011	2010
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	1,073,736	1,259,408
Trade & other receivables	5	567,763	880,057
Inventories	5	27,466	17,136
		<u>1,668,965</u>	<u>2,156,601</u>
<b>Total Current Assets</b>		<u>1,668,965</u>	<u>2,156,601</u>
<b>Non-current Assets</b>			
Equity accounted investments in Council businesses	6	4,875,605	4,747,738
Infrastructure, Property, Plant & Equipment	7	51,400,501	49,510,622
Other Non-current Assets	6	441,745	59,198
		<u>56,717,851</u>	<u>54,317,558</u>
<b>Total Non-current Assets</b>		<u>56,717,851</u>	<u>54,317,558</u>
<b>Total Assets</b>		<u>58,386,816</u>	<u>56,474,159</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8	769,096	736,008
Borrowings	8	571,724	660,715
Provisions	8	833,834	287,961
		<u>2,174,654</u>	<u>1,684,684</u>
<b>Total Current Liabilities</b>		<u>2,174,654</u>	<u>1,684,684</u>
<b>Non-current Liabilities</b>			
Borrowings	8	2,978,983	3,487,561
Provisions	8	39,771	31,660
		<u>3,018,754</u>	<u>3,519,221</u>
<b>Total Non-current Liabilities</b>		<u>3,018,754</u>	<u>3,519,221</u>
<b>Total Liabilities</b>		<u>5,193,408</u>	<u>5,203,905</u>
<b>NET ASSETS</b>		<u>53,193,408</u>	<u>51,270,254</u>
<b>EQUITY</b>			
Accumulated Surplus		24,948,201	25,562,691
Asset Revaluation Reserves	9	27,668,073	25,131,664
Other Reserves	9	577,134	575,899
		<u>53,193,408</u>	<u>51,270,254</u>
<b>Total Council Equity</b>		<u>53,193,408</u>	<u>51,270,254</u>
<b>TOTAL EQUITY</b>		<u>53,193,408</u>	<u>51,270,254</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 2011

	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Council Equity	TOTAL EQUITY
<b>2011</b>						
Balance at end of previous reporting period		25,562,691	25,131,664	575,899	51,270,254	51,270,254
Restated opening balance		25,562,691	25,131,664	575,899	51,270,254	51,270,254
<b>Net Surplus / (Deficit) for Year</b>		<b>(613,255)</b>			<b>(613,255)</b>	<b>(613,255)</b>
<b>Other Comprehensive Income</b>						
Gain on revaluation of infrastructure, property, plant & equipment	9	-	2,645,737	-	2,645,737	2,645,737
Share of other comprehensive income - joint ventures and associates	19	-	124,758	-	124,758	124,758
Impairment (expense) / recoupments offset to asset revaluation reserve	9	-	(234,086)	-	(234,086)	(234,086)
Transfers between reserves	9	(1,235)	-	1,235	-	-
<b>Balance at end of period</b>		<b>24,948,201</b>	<b>27,668,073</b>	<b>577,134</b>	<b>53,193,408</b>	<b>53,193,408</b>
<b>2010</b>						
Balance at end of previous reporting period		25,785,895	25,131,664	598,172	51,515,731	51,515,731
<b>Net Surplus / (Deficit) for Year</b>		<b>(270,897)</b>			<b>(270,897)</b>	<b>(270,897)</b>
<b>Other Comprehensive Income</b>						
Adjustments to rectify accounting processing errors in 2009/10		25,420	-	-	25,420	25,420
Transfers between reserves		22,273		(22,273)	-	-
<b>Balance at end of period</b>		<b>25,562,691</b>	<b>25,131,664</b>	<b>575,899</b>	<b>51,270,254</b>	<b>51,270,254</b>

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 2011

	Notes	2011	2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>0</b>	<b>0</b>
<u>Receipts</u>			
Operating receipts		8,767,849	7,836,535
Investment receipts		67,332	38,044
<u>Payments</u>			
Operating payments to suppliers & employees		(7,288,663)	(5,856,992)
Finance payments		<u>(265,005)</u>	<u>(275,458)</u>
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>1,281,513</b>	<b>1,742,129</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		260,397	184,419
Sale of replaced assets		389,636	362,178
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(1,036,664)	(2,410,159)
Expenditure on new/upgraded assets		(482,985)	(555,847)
Loans made to community groups		<u>-</u>	<u>(7,917)</u>
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(869,616)</b>	<b>(2,427,326)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
Proceeds from Borrowings		-	1,779,306
<u>Payments</u>			
Repayments of Borrowings		(597,569)	(678,943)
Repayment of Aged Care Facility deposits		<u>-</u>	<u>(5,918)</u>
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(597,569)</b>	<b>1,094,445</b>
<b>Net Increase (Decrease) in cash held</b>		<b>(185,672)</b>	<b>409,248</b>
Cash & cash equivalents at beginning of period	11	<u>1,259,408</u>	<u>850,160</u>
<b>Cash &amp; cash equivalents at end of period</b>	<b>11</b>	<b><u>1,073,736</u></b>	<b><u>1,259,408</u></b>

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 2011

### 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 dated 29th November 2010.

##### 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 2011

#### 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 2011

#### 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 2011

#### 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
-----------------	----------------

##### 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 2011

### 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 5.73% (2010, 5.03%)  
Weighted average settlement period 5 years (2010, 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.

#### 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 2011

#### Note 1 (cont) - SIGNIFICANT ACCOUNTING POLICIES

##### 14 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2011 reporting period.

AASB 1	First-time Adoption of Australian Accounting Standards
AASB 3	Business Combinations
AASB 5	Non-current Assets Held for Sale and Discontinued Operations
AASB 7	Financial Instruments: Disclosures
AASB 8	Operating Segments
AASB 9	Financial Instruments
AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110	Events after the Reporting Period
AASB 117	Leases
AASB 118	Revenue
AASB 119	Employee Benefits
AASB 132	Financial Instruments: Presentation
AASB 136	Impairment of Assets
AASB 137	Provisions, Contingent Liabilities and Contingent Assets
AASB 139	Financial Instruments: Recognition and Measurement
AASB 140	Investment Property
AASB 1031	Materiality
AASB 2009-11	Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]
AASB 2009-12	Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]
AASB 2010-4	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASBs 3, 7, 121, 128, 131, 132 & 139]
AASB 2010-5	Amendments to Australian Accounting Standards [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]
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]
Interpretation 14	AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

(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 2011

### Note 2 - INCOME

	2011	2010
	Notes	
<b>RATES REVENUES</b>		
<u>General Rates</u>	5,584,204	5,221,167
Less: Mandatory rebates		
Less: Discretionary rebates, remissions & write offs	(52,955)	(52,390)
	5,531,249	5,168,777
<u>Other Rates</u> (including service charges)		
Natural Resource Management levy	124,298	118,563
Community wastewater management systems	17,770	17,250
	142,068	135,813
<u>Other Charges</u>		
Penalties for late payment	37,231	28,757
Legal & other costs recovered	27,122	37,440
	64,353	66,197
	5,737,670	5,370,787
 <b>STATUTORY CHARGES</b>		
Development Act fees	104,057	113,989
Animal registration fees & fines	108,244	107,459
Other fines, penalties & expiations	12,216	1,271
Septic Tank Fees	31,208	31,204
	255,724	253,923
 <b>USER CHARGES</b>		
Cemetery/crematoria fees	22,147	11,636
Aged Home Rent	1,784	21,202
Admission Charges for Museum	2,554	14,475
Rate Searches	8,875	10,092
Hall & equipment hire	2,861	2,853
Sales - general	1,032	5,390
Rubbish/Recycling collection Fees	40,171	58,359
Sundry	8,464	11,558
	87,887	135,565
 <b>INVESTMENT INCOME</b>		
Interest on investments		
Local Government Finance Authority	60,371	34,200
Banks & other	7,827	3,844
	68,198	38,044

# District Council of Mallala

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### NOTE 2 - INCOME (continued)

	2011	2010
	Notes	
<b>REIMBURSEMENTS</b>		
- for roadworks	353,528	321,557
- by joint undertakings	228,909	81,125
	582,437	402,682
<b>OTHER INCOME</b>		
Rebates received	18,934	0
Sundry	27,424	47,330
	46,358	47,330
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>		
Amounts received specifically for new or upgraded assets	260,397	184,419
Other grants, subsidies and contributions	1,431,949	1,468,859
	1,692,346	1,653,278
<i>The functions to which these grants relate are shown in Note 2.</i>		
<b>Sources of grants</b>		
Commonwealth government	260,397	125,021
State government	1,431,949	1,528,258
	1,692,346	1,653,278

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### NOTE 2 - INCOME (continued)

	2011	2010
Notes		
<b>Conditions over grants &amp; contributions</b>		
<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>		125,706
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>		
<i>Roads Infrastructure</i>		(125,706)
<i>Heritage &amp; Cultural Services</i>		
<i>Subtotal</i>		(125,706)
<i>Roads Infrastructure</i>		
<i>Heritage &amp; Cultural Services</i>	79,000	
<i>Subtotal</i>	79,000	
<i>Unexpended at the close of this reporting period</i>	79,000	
<i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>	79,000	(125,706)

# District Council of Mallala

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 3 - EXPENSES

	Notes	2011	2010
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		2,736,750	2,465,920
Employee leave expense		328,799	331,179
Superannuation - defined contribution plan contributions	18	294,839	241,315
Workers' Compensation Insurance		121,623	102,915
Less: Capitalised and distributed costs		<u>(87,620)</u>	<u>(114,387)</u>
<b>Total Operating Employee Costs</b>		<b><u>3,394,391</u></b>	<b><u>3,026,941</u></b>
<b>Total Number of Employees</b>		<b>51</b>	<b>47</b>
<i>(Full time equivalent at end of reporting period)</i>			
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		5,740	5,580
Bad and Doubtful Debts		15,000	
Elected members' expenses		125,960	129,372
Election expenses			
Operating Lease Rentals - cancellable leases		<u>5,488</u>	<u>6,971</u>
Subtotal - Prescribed Expenses		<b><u>152,188</u></b>	<b><u>141,923</u></b>
<u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		617,231	548,075
Energy		372,453	400,302
Individually Significant Items		500,000	-
Maintenance		293,376	372,550
Legal Expenses		182,971	166,515
Levies paid to government - NRM levy		124,333	115,903
- Other Levies		52,398	48,302
Parts, accessories & consumables		401,159	364,605
Professional services		393,211	344,106
Sundry		<u>568,726</u>	<u>487,354</u>
Subtotal - Other Materials, Contracts & Expenses		<b><u>3,505,858</u></b>	<b><u>2,847,711</u></b>
		<b><u>3,658,046</u></b>	<b><u>2,989,634</u></b>
<b>INDIVIDUALLY SIGNIFICANT ITEMS</b>			
Provision for landfill remediation at Coleman Road site.		<u>500,000</u>	-

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 3 - EXPENSES (cont)

	Notes	2011	2010
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Land & Landscaping		13,465	9,455
Buildings, Pavements & Structures		303,589	273,081
Roads Infrastructure		852,004	1,097,426
Other Infrastructure		92,549	92,417
Equipment & Furniture		337,398	316,933
<b>Impairment</b>			
Buildings, Pavements & Structures		9,500	-
Roads Infrastructure		224,586	-
		<u>1,833,091</u>	<u>1,789,312</u>
Less: Impairment expense offset to asset revaluation reserve	9	<u>(234,086)</u>	<u>-</u>
		<u>1,599,005</u>	<u>1,789,312</u>
 <b>FINANCE COSTS</b>			
Interest on Loans		<u>265,309</u>	<u>216,554</u>
		<u>265,309</u>	<u>216,554</u>

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2011	2010
	Notes	
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	389,636	553,567
Less: Carrying amount of assets sold	<u>559,869</u>	<u>684,688</u>
Gain (Loss) on disposal	<u>(170,233)</u>	<u>(131,121)</u>
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>	<u>(170,233)</u>	<u>(131,121)</u>

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 5 - CURRENT ASSETS

	2011	2010
<b>CASH &amp; EQUIVALENT ASSETS</b>		
Cash on Hand and at Bank	139,384	220,929
Deposits at Call	934,352	1,038,479
	<u>1,073,736</u>	<u>1,259,408</u>
<b>TRADE &amp; OTHER RECEIVABLES</b>		
Rates - General & Other	280,487	244,635
Accrued Revenues - Interest	12,853	11,987
Debtors - general	53,988	276,287
GST Recoupment	134,439	182,651
Prepayments	85,996	164,497
Total	<u>567,763</u>	<u>880,057</u>
	<u>567,763</u>	<u>880,057</u>
<b>INVENTORIES</b>		
Stores & Materials	27,466	17,136
	<u>27,466</u>	<u>17,136</u>

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 6 - NON-CURRENT ASSETS

		2011	2010
FINANCIAL ASSETS	Notes		
EQUITY ACCOUNTED INVESTMENTS IN COUNCIL BUSINESSES			
<i>Gawler River Flood Plain Authority</i>	19	<u>4,875,605</u>	<u>4,747,738</u>
		<u>4,875,605</u>	<u>4,747,738</u>
OTHER NON-CURRENT ASSETS			
Inventories			
Capital Works-in-Progress		<u>441,745</u>	<u>59,198</u>
		<u>441,745</u>	<u>59,198</u>

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2010				2011			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Land & Landscaping	9,098,267	81,298	(434,266)	8,745,299	9,098,267	118,133	(447,731)	8,768,669
Buildings, Pavements & Structures	12,310,392	797,500	(8,321,794)	4,786,098	12,249,392	1,000,061	(8,611,100)	4,638,353
Roads Infrastructure	45,930,022	3,289,637	(19,576,570)	29,643,089	46,689,290	725,622	(15,486,554)	31,928,358
Other Infrastructure	1,564,145	3,968,804	(2,734,732)	2,798,217	1,564,145	3,976,734	(2,827,281)	2,713,598
Equipment & Furniture	-	5,711,044	(2,173,125)	3,537,919	-	5,769,761	(2,418,238)	3,351,523
<b>TOTAL PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>68,902,826</b>	<b>13,848,283</b>	<b>(33,240,487)</b>	<b>49,510,622</b>	<b>69,601,094</b>	<b>11,590,311</b>	<b>(29,790,904)</b>	<b>51,400,501</b>
<b>Comparatives</b>	<b>68,929,526</b>	<b>11,516,450</b>	<b>(31,615,353)</b>	<b>48,830,623</b>	<b>68,902,826</b>	<b>13,848,283</b>	<b>(33,240,487)</b>	<b>49,510,622</b>

*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 2011

#### Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	CARRYING AMOUNT MOVEMENTS DURING YEAR							2011
	2010	Additions		Disposals	Depreciation	Transfers	Net Revaluation	CARRYING AMOUNT
	CARRYING AMOUNT	New/Upgrade	Renewals					
Land & Landscaping	8,745,299	36,835	-	-	(13,465)	-	-	8,768,669
Buildings, Pavements & Structures	4,786,098	172,602	29,959	(46,717)	(303,589)	-	-	4,638,353
Roads Infrastructure	29,643,089	199,465	526,157	-	(852,004)	(234,086)	2,645,737	31,928,358
Other Infrastructure	2,798,217	7,930	-	-	(92,549)	-	-	2,713,598
Equipment & Furniture	3,537,919	66,153	598,001	(513,152)	(337,398)	-	-	3,351,523
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>49,510,622</b>	<b>482,985</b>	<b>1,154,117</b>	<b>(559,869)</b>	<b>(1,599,005)</b>	<b>(234,086)</b>	<b>2,645,737</b>	<b>51,400,501</b>
<b>Comparatives</b>	<b>48,830,623</b>	<b>555,847</b>	<b>2,406,762</b>	<b>(493,299)</b>	<b>(1,789,311)</b>			<b>49,510,622</b>

*This Note continues on the following page.*

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### 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 for the purposes of AIFRS.

##### **Land & Landscaping**

Pursuant to Council's election, freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. 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**

A revaluation was done at fair value as at 1 June 2007. Pursuant to Council's election, buildings and other structures are recognised on the cost basis. The weighted average depreciation period is 32.7 years (2007 - 32.7 years).

##### **Road Infrastructure**

Road Infrastructure assets, kerbing and footpaths were valued by Council officers at written down current replacement cost as at 1 July 2010, all acquisitions after that date are recorded at cost. Bridges and culverts are also included here, but were not subject to revaluation. 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 Council staff based on previous remediation of a similar nature. More accurate costs will be available after the results of an environmental survey become available within the next 12 months.

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 8 - LIABILITIES

	Notes	2011		2010	
		Current	Non-current	Current	Non-current
<b>TRADE &amp; OTHER PAYABLES</b>					
Goods & Services		248,054		280,749	
Payments received in advance		-		18,182	
Accrued expenses - employee entitlements		354,143		304,955	
Accrued expenses - other		110,855		110,551	
Deposits, Retentions & Bonds		38,349			
GST Payable		17,695		21,571	
		<u>769,096</u>	<u>-</u>	<u>736,008</u>	<u>-</u>
<b>BORROWINGS</b>					
Loans		<u>571,724</u>	<u>2,978,983</u>	<u>660,715</u>	<u>3,487,561</u>
		<u>571,724</u>	<u>2,978,983</u>	<u>660,715</u>	<u>3,487,561</u>

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

#### PROVISIONS

Employee entitlements (including oncosts)	333,834	39,771	287,961	31,660
Future remediation Coleman Road landfill site.	500,000	-	-	-
	<u>833,834</u>	<u>39,771</u>	<u>287,961</u>	<u>31,660</u>

#### *Movements in Provisions - 2011 year only (current & non-current)*

	<i>Future Reinstatement</i>	<i>Other Provision</i>
Opening Balance		319,622
Add Unwinding of present value discounts		13,327
Additional amounts recognised	500,000	113,257
(Less) Payments		(15,829)
Unused amounts reversed		(35,589)
Add (Less) Remeasurement Adjustments		(21,183)
Closing Balance	<u>500,000</u>	<u>373,605</u>

# District Council of Mallala

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2010	Net Increments (Decrements)	Transfers, Impairments	30/6/2011
	Notes			
Land & Landscaping	4,812,165			4,812,165
Buildings, Pavements & Structures	2,609,875		(9,500 )	2,600,375
Roads Infrastructure	16,695,275	2,645,737	(224,586 )	19,116,426
Other Infrastructure	585,951	428,398		1,014,349
Equipment & Furniture	428,398		(428,398 )	0
Joint Ventures - Other		124,758		124,758
Comprehensive Income				
<b>TOTAL</b>	<b>25,131,664</b>	<b>3,198,893</b>	<b>(662,484 )</b>	<b>27,668,073</b>
Building Maintenance Reserve	25,843			25,843
Equus Park Reserve	22,248		(22,248 )	0
Home for the Aged Reserve	89,565		(22,594 )	66,971
CWMS Reserve - Middle Beach	46,195	2,722		48,917
Community Infrastructure Reserve	132,987	9,000		141,987
Unexpected Specific Grants Reserve	11,032			11,032
Drainage Fund Reserve	231,859	33,402		265,261
Roads Contribution Reserve	16,170	953		17,123
<b>TOTAL OTHER RESERVES</b>	<b>575,899</b>	<b>46,077</b>	<b>(44,842 )</b>	<b>577,134</b>
<i>Comparatives</i>	<i>598,172</i>	<i>40,702</i>	<i>(62,976 )</i>	<i>575,899</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).

##### **Available-for-sale Investments Reserve**

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

The **Equus Park Reserve** was received from the developer for tree planting at the Equus Park subdivision

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

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### 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.

		2011	2010
<b>CASH &amp; FINANCIAL ASSETS</b>	Notes	0	0
Developer Contributions			22,247
Unexpended amounts received from other levels of Government		11,032	11,032
CWMS Scheme		48,917	46,195
Homes for the Aged		66,971	89,565
		<u>126,920</u>	<u>169,039</u>
<b>TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS</b>		<u>126,920</u>	<u>169,039</u>

# District Council of Mallala

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### 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:

	2011	2010
Total cash & equivalent assets	Notes 5 <u>1,073,736</u>	<u>1,259,408</u>
Balances per Cash Flow Statement	<u>1,073,736</u>	<u>1,259,408</u>

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

Net Surplus (Deficit)	(613,255)	(270,897)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,599,005	1,789,312
Equity movements in equity accounted investments (increase) decrease	(3,109)	18,946
Net increase (decrease) in unpaid employee benefits	103,172	3,334
Premiums & discounts recognised & unwound	-	-
Adjustment to Opening Accumulated Surplus	-	25,420
Grants for capital acquisitions treated as Investing Activity	(260,397)	(184,419)
Net (Gain) Loss on Disposals	<u>170,233</u>	<u>131,121</u>
	995,649	1,512,817
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	312,294	35,404
Net (increase) decrease in inventories	(10,330)	144,556
Net increase (decrease) in trade & other payables	(16,100)	49,352
Net increase (decrease) in other provisions	-	-
<b>Net Cash provided by (or used in) operations</b>	<u>1,281,513</u>	<u>1,742,129</u>

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

- Estimated future reinstatement landfill.

Notes

	<u>500,000</u>	-
	<u>500,000</u>	-

**(d) Financing Arrangements**

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

Cash advance facility LGFA of SA	1,000,000	1,000,000
Corporate Credit Cards	15,000	10,000

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 2011

#### 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	2011	2010	2011	2010	
	2011	2010	2011	2010	2011	2010	0	0	0	0	
	0	0	0	0	0	0	0	0	0	0	
Business Undertakings	261,174	245,397	327,620	295,457	(66,446)	(50,060)	-	53,210	671,185	649,198	
Public Order & Safety	2,926	2,749	49,382	44,534	(46,457)	(41,786)	-	-	221,023	213,783	
Health Services	241	227	46,632	42,054	(46,391)	(41,827)	-	-	-	-	
Community Support	67,893	63,791	467,814	421,888	(399,921)	(358,097)	-	20,297	1,724,915	1,668,410	
Community Amenities	25,000	23,490	151,160	136,320	(126,160)	(112,830)	-	-	577,356	558,443	
Library Services	30,506	28,663	280,053	252,560	(249,547)	(223,896)	28,111	6,141	37,396	36,171	
Cultural Services	6,919	6,501	107,410	96,866	(100,491)	(90,364)	-	-	1,096,465	1,060,547	
Economic Development	1,023	961	148,098	133,559	(147,075)	(132,598)	-	-	-	-	
Enviro - Agricultural Services	-	-	29,571	26,668	(29,571)	(26,668)	-	-	-	-	
Enviro - Waste Management	73,497	69,057	1,006,096	907,327	(932,599)	(838,270)	-	14,794	738,558	714,364	
Other Environment	-	-	419,459	378,280	(419,459)	(378,280)	-	-	9,403,170	9,095,137	
Recreation	48,236	45,322	346,820	312,772	(298,584)	(267,450)	21,000	9,710	6,067,227	5,868,475	
Regulatory Services	255,084	239,675	1,025,186	924,543	(770,103)	(684,868)	-	51,346	159,846	154,610	
Transport	614,670	577,540	2,453,120	2,212,295	(1,838,450)	(1,634,755)	422,126	124,331	31,034,102	30,017,475	
Plant Hire & Depot/Indirect	887	833	67,914	61,246	(67,027)	(60,413)	-	-	3,985,015	3,854,472	
Governance	2,111	1,984	1,104,154	995,759	(1,102,043)	(993,775)	-	-	1,765,664	1,707,824	
Support Services	6,823,165	6,410,999	886,262	799,257	5,936,903	5,611,742	1,163,109	1,373,449	904,892	875,249	
<b>TOTALS</b>	<b>8,213,332</b>	<b>7,717,191</b>	<b>8,916,751</b>	<b>8,041,386</b>	<b>(703,419)</b>	<b>(324,196)</b>	<b>1,692,346</b>	<b>1,653,278</b>	<b>58,386,816</b>	<b>56,474,159</b>	

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 2011

### 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 2011

#### Note 13 - FINANCIAL INSTRUMENTS

##### Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between 1.3% and 4.75% (2010: 1.75% and 4.50%). Short term deposits have an average maturity of 30 days and an average interest rates of 1.75% (2010: 30 days, 2.75%).</p> <p><b>Carrying amount:</b> 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><b>Accounting Policy:</b> 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><b>Terms &amp; conditions:</b> Secured over the subject land, arrears attract interest of 9% (2010: 7.0%) 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><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p><b>Accounting Policy:</b> 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><b>Terms &amp; conditions:</b> 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><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; conditions:</b> 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 &amp; State.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
Receivables - Retirement Home Contributions	<p><b>Accounting Policy:</b> 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><b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
Liabilities - Retirement Home Contributions	<p><b>Accounting Policy:</b> To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p><b>Terms &amp; conditions:</b> Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.</p> <p><b>Carrying amount:</b> approximates fair value for short tenancies; may be non-materially over-stated for longer tenancies.</p>
Liabilities - Interest Bearing Borrowings	<p><b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable on credit foncier terms; interest is charged at fixed rates between 5.55% and 8.40% (2010: 5.55% and 8.40%)</p> <p><b>Carrying amount:</b> approximates fair value.</p>
Liabilities - Finance Leases	<p><b>Accounting Policy:</b> 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 2011

### Note 13 (cont) - FINANCIAL INSTRUMENTS

#### Liquidity Analysis

2011	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash & Equivalents	1,073,736			1,073,736	1,073,736
Receivables	287,276			287,276	287,276
<b>Total</b>	<b>1,361,012</b>	-	-	<b>1,361,012</b>	<b>1,361,012</b>
<b>Financial Liabilities</b>					
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
<b>Total</b>	<b>1,369,453</b>	<b>2,183,813</b>	<b>1,668,048</b>	<b>5,221,314</b>	<b>3,854,805</b>
2010	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash & Equivalents				-	1,259,408
Receivables				-	635,422
<b>Total</b>	-	-	-	-	<b>1,894,830</b>
<b>Financial Liabilities</b>					
Payables	320,502			320,502	320,502
Current Borrowings	932,278			932,278	660,715
Non-Current Borrowings		2,563,279	2,030,393	4,593,672	3,487,561
<b>Total</b>	<b>1,252,780</b>	<b>2,563,279</b>	<b>2,030,393</b>	<b>5,846,452</b>	<b>4,468,778</b>

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

	30 June 2011		30 June 2010	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	6.91	3,487,561	6.7	4,068,971
		<u>3,487,561</u>		<u>4,068,971</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 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 2011

#### Note 14 - COMMITMENTS FOR EXPENDITURE

	2011	2010
	<u>Notes</u>	
<b>Capital Commitments</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings		59,197
Plant & Equipment	70,760	
	<u>70,760</u>	<u>59,197</u>
These expenditures are payable:		
Not later than one year	70,760	59,197
	<u>70,760</u>	<u>59,197</u>
<b>Other Expenditure Commitments</b>		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	45,000	5,500
Waste Management Services	139,745	122,130
Employee Remuneration Contracts	380,243	54,047
Other	176,090	167,049
	<u>741,078</u>	<u>348,726</u>
These expenditures are payable:		
Not later than one year	705,078	348,726
Later than one year and not later than 5 years	36,000	
	<u>741,078</u>	<u>348,726</u>

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 15 - FINANCIAL INDICATORS

	2011	2010	2009
<p>These Financial Indicators have been calculated in accordance with <i>Information Paper 9 - Local Government Financial Indicators</i> 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.</p>			
<b>Operating Surplus</b>	\$ (703,419)	(324,196)	322,739
<i>Being the operating surplus (deficit) before capital amounts .</i>			
<b>Adjusted Operating Surplus</b>	(728,419)	(324,196)	322,739
<i>In each of June 2009, 2010 and 2011 the Commonwealth Government made an advance payment of one quarterly payment of the Financial Assistance Grant (see Note 3). Accordingly there were five "quarterly" payments in 2009, and four payments in each of 2010 and 2011. The Adjusted Operating Surplus and Adjusted Operating Surplus Ratio adjust for this distortion.</i>			
<b>Operating Surplus Ratio</b>			
<u>Operating Surplus</u>	(13%)	(6%)	7%
Rates - general & other less NRM levy			
<b>Adjusted Operating Surplus Ratio</b>	(13%)	(6%)	7%
<i>This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.</i>			
<b>Net Financial Liabilities</b>	\$ 3,551,909	3,064,440	2,299,070
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).</i>			
<b>Net Financial Liabilities Ratio</b>			
<u>Net Financial Liabilities</u>	44%	40%	31%
Total Operating Revenue less NRM levy			
<b>Interest Cover Ratio</b>			
<u>Net Interest Expense</u>	2.5%	2.4%	2.7%
Total Operating Revenue less NRM levy less Investment Income			
<b>Asset Sustainability Ratio</b>			
<u>Net Asset Renewals</u>	40%	114%	107%
Depreciation Expense			
<i>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.</i>			
<b>Asset Consumption Ratio</b>			
<u>Carrying value of depreciable assets</u>	59%	55%	56%
Gross value of depreciable assets			
<i>Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.</i>			

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### 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

	2011 0	2010 0
Income	8,213,332	7,717,191
less Expenses	<u>8,916,751</u>	<u>8,041,386</u>
<b>Operating Surplus / (Deficit)</b>	<b>(703,419)</b>	<b>(324,196)</b>
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	1,036,664	2,410,159
less Depreciation, Amortisation and Impairment	1,599,005	1,789,312
less Proceeds from Sale of Replaced Assets	<u>389,636</u>	<u>362,178</u>
	<b>(951,977)</b>	258,669
<b>less Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	482,985	555,847
less Amounts received specifically for New and Upgraded Assets	260,397	184,419
	<u>222,588</u>	<u>371,428</u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b><u>25,970</u></b>	<b><u>(954,293)</u></b>

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 17 - OPERATING LEASES

##### *Lease payment commitments of Council*

Council has entered into non-cancellable operating leases for 2 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:

	2011	2010
Not later than one year	7,608	7,172
Later than one year and not later than 5 years	<u>19,020</u>	<u>5,145</u>
	<u>26,628</u>	<u>12,317</u>

## District Council of Mallala

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### 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 2010/11 for marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2009/10). 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% in 2009/10) 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 full actuarial investigation conducted by the Scheme's actuary, L C Brett, BSc., FIA, FIAA, of Brett and Watson Pty Ltd as at 30 June 2008, the Trustee has determined that the current funding arrangements are adequate for the expected Defined Benefit Plan liabilities. However, future financial and economic circumstances may require changes to Council contribution rates at some future time.

# District Council of Mallala

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### 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 2010-11 year Council Subsidiary contributions were \$9,307

#### **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 2010-11 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 2011

### Note 19 (cont) - JOINT VENTURES & ASSOCIATED ENTITIES

	2011	2010
<b>Gawler River Floodplain Management Authority</b>		
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	4,747,738	4,766,684
Share in Operating Result	3,109	(5,286)
Share in other comprehensive income	124,758	
Adjustment to Equity Share		(13,660)
Share in Equity of Joint Operation	<u>4,875,605</u>	<u>4,747,738</u>

# District Council of Mallala

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### 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.



**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 2011 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 2011.

**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 1999. 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 2011, 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 1999.

A handwritten signature in black ink, 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 30<sup>th</sup> day of November 2011, 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](mailto:imd1962@bigpond.net.au)

**DISTRICT COUNCIL of MALLALA**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2011**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the District Council of Mallalal for the year ended 30 June 2011, 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 Mansueti  
CHIEF EXECUTIVE OFFICER

  
.....  
John Comrie  
PRESIDING MEMBER  
AUDIT COMMITTEE

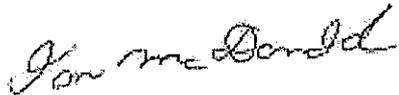
Date:

**DISTRICT COUNCIL OF MALLALA**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

**STATEMENT BY AUDITOR**

I confirm that, for the audit of the financial statements of District Council of Mallala for the year ended 30 June 2011, 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 21 day of November 2011

# *GRFMA*

## *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

# *ANNUAL REPORT*

## *2010 - 2011*

Address :	19 Charles Street Norwood South Australia 5067
Telephone:	(08) 8363 2969
Mobile:	040 778 2255
Facsimile:	(08) 8363 9783
Email:	<a href="mailto:contact@fredpedler.com">contact@fredpedler.com</a>
Web Site:	<a href="http://www.fredpedler.com">www.fredpedler.com</a>

## Chairman's Forward

The Authority has met regularly throughout the year with ongoing management of the North Para Dam, the completion of the new flow gauge weir downstream of the dam wall, and preparation of the plans to implement the South Para Reservoir wall and spillway works. The latter project was delayed following the State Election and reference to the Parliamentary Public Works Committee. It is a milestone that site works commenced on 1<sup>st</sup> August 2011. This project will complete the major mitigation works identified in the 2005 Scheme.

The Authority's achievements are indebted to the input of the Council representatives to the Board and Committee deliberations. I take particular pleasure in thanking the Executive Director, Fred Pedler, for his guidance, management and support since the Authority was formed that, at his request; will conclude at the end of this year.

The next challenge for the Authority is to scope and develop The Gawler River Flood Mitigation Scheme Mark Two to reduce the number of properties that remain at risk of flooding in a 1 in 100 year flood.

**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<sup>nd</sup> 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:

<b>Authority</b>	<b>Board Members</b>	<b>Deputy Board Members</b>
<b>AMLRNRMB</b>	Dr Bruce Eastick AM, Chair	
<b>Adelaide Hills Council</b>	Cr Geoff Purdie <sup>3</sup> Mayor Bill Spragg <sup>7</sup> Mr Peter Peppin, CEO	Mr Marc Salver

<b>Authority</b>	<b>Board Members</b>	<b>Deputy Board Members</b>
<b>The Barossa Council</b>	Mayor Brian Hurn OAM Mr Ian Baldwin	Cr Barrie Stewart <sup>3</sup> Cr Dave de Vries <sup>5</sup>
<b>Town of Gawler</b>	Cr Brian Thom Mr Stephen Kerrigan, CEO	Ms Heather Barclay <sup>1</sup> Cr Paul Koch <sup>5</sup> Mr Alec Shaw <sup>5</sup>
<b>Light Regional Council</b>	Cr William Close Mr Brian Carr, CEO	Cr Peter Graham
<b>District Council of Mallala</b>	Cr Joe Daniele <sup>3</sup> Cr Ann Picard <sup>4</sup> Mr Charles Mansueto, CEO	Cr Ann Picard <sup>3</sup> Cr Karen McColl <sup>4 &amp; 8</sup> Cr Tom Summerton <sup>9</sup>
<b>City of Playford</b>	Cr Max O’Rielly <sup>6</sup> Cr Dino Musolino <sup>5</sup> Mr Tim Jackson, CEO	Cr Don Levitt <sup>3</sup> Mr Shaun Kennedy <sup>2</sup>

- 1 To 31<sup>st</sup> August 2010
- 2 From 27<sup>th</sup> September 2010
- 3 To 13<sup>th</sup> November 2010
- 4 From 9<sup>th</sup> December 2010
- 5 From 13<sup>th</sup> December 2010
- 6 To 9<sup>th</sup> December 2010
- 7 From 23<sup>rd</sup> February 2011
- 8 To 28<sup>th</sup> March 2011
- 9 From 28<sup>th</sup> March 2011

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

Thursday	19 <sup>th</sup> August 2010	Gawler
Thursday	21 <sup>st</sup> October 2010	Mallala
Thursday	9 <sup>th</sup> December 2010	Elizabeth
Thursday	17 <sup>th</sup> February 2011	Kapunda
Thursday	21 <sup>st</sup> April 2011	Gumeracha
Thursday	16 <sup>th</sup> June 2011	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, Chair  
 Fred Pedler, Executive Officer, GRFMA  
 Bill Lipp, Principal Stormwater Engineer, Department for Transport, Energy and Infrastructure  
 Andy Slager, Civil Engineer, City of Playford <sup>2</sup>  
 Chris Wright, Water Projects Officer, Adelaide Mount Lofty Ranges NRM Board  
 Andy Parsons, Principal Engineer Dams & Civil, SA Water Corporation <sup>1</sup>  
 Mr Derek Moore, Principal Dams and Geotechnical Engineer, SA Water Corporation <sup>3</sup>

Mr Adrian Swiatnik, (proxy to Andy Slager) <sup>2</sup>

- 1 To 31<sup>st</sup> December 2010
- 2 From 1<sup>st</sup> January 2011
- 3 From 9<sup>th</sup> December 2010

The Panel meets as the agenda requires and held two meetings during the year as follows:

Tuesday 7<sup>th</sup> December 2011 at Grenfell Street, Adelaide  
Tuesday 12<sup>th</sup> April 2011 at Grenfell Street, Adelaide

### ***Property Sale Committee***

A Property Sale Committee was appointed in June 2008 with delegated authority to sell two properties that were surplus to requirements. The Morgan property was sold in June 2009 and the McGlen property was sold in October 2010. The Committee was then dissolved.

The Members of the Committee were:

Dr Bruce Eastick AM, Chair  
Fred Pedler, Executive Officer, GRFMA  
Cr Brian Thom, Town of Gawler  
Mr Stephen Kerrigan, CEO, Town of Gawler

### ***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 two meetings during the year.

Wednesday 13<sup>th</sup> April 2011, at 25 Peel Street, Adelaide  
Wednesday 8<sup>th</sup> June 2011, 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 a committee was formed to have oversight of the Executive Officer Services Contract including the annual contract performance review process. The Committee has also been tasked to manage the procurement process for a new contractor following the end of the current contract that will occur in December 2011.

The committee has yet to formally meet.

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 & Barossa Catchment Water Management Board and the Department of Water, Land & 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 & 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 – currently in design to be constructed during 2011 - 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**

#### **4<sup>th</sup> and 5<sup>th</sup> 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 10.00 AM on Sunday reached a maximum height of 70 metres AHD just below the high-level outlet pipes, which is half way up the dam wall. Dam waters estimated to be 1.2 GI extended approximately 4 kilometres upstream passed through the low level outlet pipe at a controlled flow returning to stream level at mid day 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.

#### **8<sup>th</sup> 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 Gl 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***

SA Water will undertake modifications to the South Para Reservoir Dam Wall and Spillway in 2011 - 2012. The works will comprise modifications to the dam wall to meet the required dam safety standards for large dams. In addition the dam wall and spillway will be modified to provide a 1 in 100 year flood mitigation capability on top of the full storage level of the reservoir.

This will be achieved by raising the rock filled dam wall by 1 metre and constructing a further concrete parapet wall a further 1 metre high on top. The spillway will be modified by raising the spillway by 1.57 metres with a 10 metre wide slot to remain at the existing full storage level.

These works estimated to cost \$8.21 million, with the flood mitigation component costing \$4.41 million paid by the GRFMA, will be completed in June 2012.

### **General**

The GRFMA Board and constituent councils have been actively reviewing the Charter during the year. Two discussion papers have been prepared that canvass a number of issues including whether and how the Authority could undertake emerging issues related to the Gawler River. Changes to the Charter can only occur with the unanimous agreement of all constituent councils.

The GRFMA made presentations to constituent council's to inform members of matters being considered by the Board as follows:

District Council of Mallala  
District Council of Mallala  
Adelaide Hills Council

Monday 21<sup>st</sup> June 2010  
Monday 7<sup>th</sup> February 2011  
Tuesday 8<sup>th</sup> March 2011

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 two 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	56	2	Review / Engage Executive Officer Services	0	3.5%
Technical Reference Panel	8	0		0	0%
Properties Sale Committee	Did Not Meet				
Audit Committee	9	0			0%
Executive Officer Services Committee	Did not Meet				

Mr Fred Pedler, Principal of Fred Pedler & Associates, has been engaged to provide Executive Officer services under a services agreement until 31<sup>st</sup> December 2011. Mr Pedler has 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

Information about the GRFMA, the Scheme and a number of documents are available on the website [www.fredpedler.com](http://www.fredpedler.com) and go to the grfma pages.

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

FINANCIAL STATEMENTS

Income Statement for the Year Ending 30<sup>th</sup> June 2011

	Notes	2011 \$	2010 \$
<b>Income</b>			
Subscriptions	3	40,000	40,002
Investment Income	1(d)	72,080	46,034
State Government Grants	7.3	1,415	118,805
Commonwealth Government Grants	7.4	1,415	118,805
Other		32	
<b>Total Income</b>		<b>114,942</b>	<b>323,646</b>
<b>Expenditure</b>			
Contractual Services	5	124,798	318,260
Finance Charges		2,550	2,775
Other		18,853	21,235
<b>Total Expenditure</b>		<b>146,201</b>	<b>342,270</b>
<b>Surplus / (Deficit) from Operations</b>		<b>(31,259)</b>	<b>(18,624)</b>
<b>Capital Revenues</b>			
State Government Grants	7.3	21,123	
Commonwealth Government Grants	7.4	21,123	
<b>Total Capital Revenues</b>		<b>42,246</b>	<b>0</b>
<b>Surplus / (Deficit)</b>		<b>10,987</b>	<b>(18,624)</b>

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

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

Balance Sheet as at 30<sup>th</sup> June 2011

	Notes	2011 \$	2010 \$
<b>Current Assets</b>			
Cash at Bank		0	0
Investments	1(d)	1,587,815	1,290,225
Debtors - GST		1,057	1,016
<b>Total Current Assets</b>		<b>1,588,872</b>	<b>1,291,241</b>
<b>Current Liabilities</b>			
Bank Overdraft		0	6,034
Accounts Payable		10,678	3,000
<b>Total Current Liabilities</b>		<b>10,678</b>	<b>9,034</b>
<b>Net Current Assets</b>		<b>1,578,194</b>	<b>1,282,207</b>
<b>Non Current Assets</b>			
Infrastructure	4	15,320,793	14,832,720
Land	4	326,364	611,364
<b>Total Non Current Assets</b>		<b>15,647,157</b>	<b>15,444,084</b>
<b>Net Assets</b>		<b>17,225,351</b>	<b>16,726,291</b>
<b>Equity</b>			
Accumulated Surplus		16,737,278	16,726,291
Asset Revaluation Reserve	1(h),4	488,073	
<b>Total Equity</b>		<b>17,225,351</b>	<b>16,726,291</b>

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 30<sup>th</sup> June 2011**

	Notes	2011 \$	2010 \$
<b>Equity</b>			
<b>Accumulated Surplus</b>			
Balance at beginning of period		16,726,291	16,744,915
Add Net Surplus / (Deficit)		10,987	(18,624)
Balance at end of period		<u>16,737,278</u>	<u>16,726,291</u>
<b>Asset Revaluation Reserve</b>			
Balance at the beginning of period		0	0
Add movement increase	1(h),4	488,073	0
Balance at end of period		<u>488,073</u>	<u>0</u>
<b>Total Equity</b>		<u><b>17,225,351</b></u>	<u><b>16,726,291</b></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 30<sup>th</sup> June 2011**

	Notes	2011 \$	2010 \$
<b>Cash Flows from Operating Activities</b>			
Receipts		85,108	314,872
Payments		(138,564)	(376,389)
Interest Receipts		72,080	46,034
Net Cash Provided by Operating Activities		<u><b>18,624</b></u>	<u><b>(15,483)</b></u>
<b>Cash Flows from Investment Activities</b>			
Receipts		285,000	285,000
Payments			0
Net Cash Used in Investment Activities		<u><b>285,000</b></u>	<u><b>285,000</b></u>
<b>Net Increase (Decrease) in Cash Held</b>		<u><b>303,624</b></u>	<u><b>269,517</b></u>
<b>Cash at the beginning of the reporting period</b>		<u><b>1,284,191</b></u>	<u><b>1,014,674</b></u>
<b>Cash at the end of the reporting period</b>		<u><b>1,587,815</b></u>	<u><b>1,284,191</b></u>

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

Notes to the Financial Statements for the year ended 30<sup>th</sup> June 2011

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 Accounting Standards:

AASB 110	Events After Balance Sheet Date
AASB 116	Property Plant and 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.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

(c) Employees

The Association has no employees.

(d) Investments

Investments are valued at cost. Interest revenues are recognized 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 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 30<sup>th</sup> 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 unique infrastructure and in the 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 purposes of revaluation. The index was applied to the contract cost to construct the dam infrastructure. The Board revaluation was undertaken at 30<sup>th</sup> 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 will be applied from 1<sup>st</sup> 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 2b.

(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

Year	Revenue			%	Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue		Expenses Total	%	
<b>Administration</b>							
2011	2,830	112,112	114,942	26.0%	75,246	51.4%	39,696
2010	237,610	76,034	313,644	51.5%	76,390	22.3%	237,254
<b>Other Environment: Flood Mitigation</b>							
2011	42,246	285,000	327,246	74.0%	70,955	48.6%	256,291
2010	0	295,002	295,002	48.5%	265,879	77.7%	29,123
<b>Total</b>							
2011	45,076	397,112	442,188	100.0%	146,201	100.0%	295,987
2010	237,610	371,036	608,646	100.0%	342,269	100.0%	266,377

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	
	2011	2010	2011	2010	2011	2010
Adelaide Hills Council	\$0	\$0	\$173	\$173	\$5,000	\$5,000
The Barossa Council	\$0	\$0	\$867	\$867	\$5,000	\$5,000
Town of Gawler	\$0	\$0	\$1,734	\$1,734	\$5,000	\$5,000
Light Regional Council	\$0	\$0	\$867	\$867	\$5,000	\$5,000
District Council of Mallala	\$0	\$0	\$2,891	\$2,892	\$5,000	\$5,000
City of Playford	\$0	\$0	\$3468	\$3469	\$5,000	\$5,000
Total	\$0	\$0	10,000	10,002	\$30,000	\$30,000

4 Non Current Assets Summary

Summary including movement in the carrying amount

	2011	2010
<b>Infrastructure</b>		
North Para – at Cost	\$14,832,720	\$14,832,720
Add revaluation – Note 1(h)	488,073	
Carrying amount at the end of year at valuation	\$15,320,793	\$14,832,720
<b>Land</b>		
Land and Easements – at Valuation	611,364	\$896,364
Less land sold at valuation	(\$285,000)	(\$285,000)
Land – at Valuation – Note 1(g)	\$326,364	\$611,364
Carrying amount at the end of year at valuation	\$326,364	\$611,364
Total Infrastructure and Land	\$15,647,157	\$15,444,084

There are no Non Current Liabilities

**Gawler River Floodplain Management Authority – Financial Statements Year Ended 30<sup>th</sup> June 2011**

**5 Contractual Services**

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

	2011	2010
<b>Consultants Operations</b>		
Fred Pedler & Associates	\$76,950	\$86,830
Allsurv Engineering Services Pty Ltd	\$2,181	\$0
Australian Water Environments	\$5,626	\$49,830
Cutloose Pty Ltd	\$520	\$0
Enviro Group Pty Ltd	\$2,500	\$0
Maloney Field Services	\$0	\$9,248
The Lighthouse Public Relations Pty Ltd	\$2,606	\$0
North East Constructions Pty Ltd	\$0	\$172,352
UHY Haines Norton Pty Ltd	\$1,300	\$0
<b>Totals</b>	<b>\$91,683</b>	<b>\$318,260</b>
<b>Contractors, Consultants Infrastructure</b>		
Torrens Building and Civil Pty Ltd	\$26,300	\$0
Alexander Symonds Pty Ltd	\$6,815	\$0
<b>Totals</b>	<b>\$33,115</b>	<b>\$0</b>

**6 Comparison of Budget and Actual Results**

	2011		2010	
	Budget \$	Actual \$	Budget \$	Actual \$
<b>Revenue</b>				
Administration	98,480	102,112	70,083	76,034
Other Environment: Flood Mitigation Maintenance	573,470	12,830	2,233,208	247,612
Other Environment: Flood Mitigation Capital	309,356	327,246	570,000	285,000
<b>Total Revenue</b>	<b>981,306</b>	<b>442,188</b>	<b>2,873,291</b>	<b>608,646</b>
<b>Expenditure</b>				
Administration	138,333	75,246	129,833	76,390
Other Environment: Flood Mitigation Maintenance	774,528	70,955	2,684,070	265,879
Other Environment: Flood Mitigation Capital	0	0	0	0
<b>Total Expenditure</b>	<b>912,861</b>	<b>146,201</b>	<b>2,813,903</b>	<b>342,269</b>
<b>Surplus (Deficit)</b>	<b>68,445</b>	<b>295,987</b>	<b>59,388</b>	<b>266,377</b>

**7 Expenditure Commitment**

1. 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.
2. An agreement has been entered into with Fred Pedler & Associates to provide Executive Officer and Supervision of Consultants services to 31<sup>st</sup> December 2011.
3. The State Government has approved funding for the Gawler River Flood Mitigation Scheme totalling \$8,166,612 of which \$6,889,728 has been paid to the Authority.
4. 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 \$6,889,728 has been paid to the Authority.

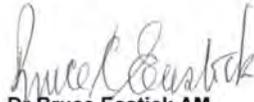
**CERTIFICATION OF FINANCIAL STATEMENTS**

We have been authorised by the Gawler River Floodplain Management Authority to certify the financial statements in their final form. In our opinion:

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

Dated 25<sup>th</sup> August 2011

  
**Fred Pedler**  
**EXECUTIVE OFFICER**

  
**Dr Bruce Eastick AM**  
**CHAIRMAN**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Gawler River Floodplain Management Authority for the year ended 30 June 2011, the Authority's Auditor, HLB Mann Judd, Dowie House, 82 Currie Street, Adelaide, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Dated 25<sup>th</sup> August 2011

  
**Fred Pedler**  
**EXECUTIVE OFFICER**

  
**Allen Bolaffi**  
**CHAIR**  
**AUDIT COMMITTEE**

17 August 2011

The Board  
Gawler River Flood Plain Management Authority  
C/- Mr F Pedler  
Executive Officer  
19 Charles Street  
NORWOOD SA 5067

Dear Board Members

**STATEMENT OF AUDITORS INDEPENDENCE  
ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2011**

In accordance with Regulation 22(5) Local Government (Financial Management) Regulation 2011 and the Local Government Act 1999, we confirm that, for the audit of the financial statements of Gawler River Flood Plain Management Authority for the year ended 30 June 2011 we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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



**TREVOR D HIRTH  
HLB MANN JUDD**

Dated this *17<sup>th</sup>* day of *August* 2011

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

Norwood Office: 82 Fullarton Road, Norwood SA | Telephone +61 (0)8 8130 2000 | Facsimile +61 (0)8 8363 1980

City Office: Dowle House, 83-89 Currie Street, Adelaide SA | Telephone +61 (0)8 8231 4725

Postal: PO Box 377, Kent Town SA 5071

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

TDH:GRF001  
Ref 223290

Page 1 of 1

**GAWLER RIVER FLOOD PLAIN MANAGEMENT AUTHORITY****INDEPENDENT AUDITOR'S REPORT**

To the constituent councils of the **GAWLER RIVER FLOOD PLAIN MANAGEMENT AUTHORITY**:

We have audited the accompanying financial report, being a special purpose financial report, of the Gawler River Flood Plain Management Authority, which comprises the balance sheet as at 30 June 2011, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, and the Executive Officer's Statement as set out on pages 1 to 7.

***Board's Responsibility of for the Financial Report***

The Gawler River Flood Plain Management Authority's Board is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the Gawler River Flood Plain Management Authority Charter and the constituent councils. The Board's responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the constituent councils. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

Norwood Office: 82 Fullarton Road, Norwood SA | Telephone +61 (0)8 8130 2000 | Facsimile +61 (0)8 8363 1980

City Office: Dowie House, 83-89 Currie Street, Adelaide SA | Telephone +61 (0)8 8231 4725

Postal: PO Box 377, Kent Town SA 5071

The financial report has been prepared for distribution to constituent councils for the purpose of fulfilling the Board's financial reporting requirements under the Charter. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the constituent councils constituent councils, or for any purpose other than that for which it was prepared.

Our audit did not involve an analysis of the prudence of business decisions made by the Board.

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

**Independence**

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

**Auditor's Opinion**

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Gawler River Flood Plain Management Authority as at 30 June 2011 and its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

**Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1(a) to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Gawler River Flood Plain Management Authority to meet the requirements of the Gawler River Flood Plain Management Authority Charter for the purpose of fulfilling the Boards financial reporting responsibilities. As a result, the financial report may not be suitable for another purpose.

Adelaide

*JH* August 2011

*HLB Mann Judd*  
HLB MANN JUDD  
(SA Partnership)  
Chartered Accountants

*Trevor D Hirth*  
Trevor D Hirth  
Partner

## Gawler River Floodplain Management Authority

Schedule of Constituent Council's Interests in Net Assets as at 30th June 2011

### 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. Contributions by Town of Gawler, Light Regional Council, District Council of Mallala and City of Playford to the mapping Project have been excluded.

This Schedule has been prepared on the basis that the Authority was 'wound up' on 30th June 2011. 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	\$ 1,588,872
Infrastructure	\$ 15,320,793
Land	\$ 326,364
	<b>\$ 17,236,029</b>

##### Less Liabilities

Accounts Payable / Creditors	\$ 10,678
<b>Net Equity</b>	<b>\$ 17,225,351</b>

#### Allocation of Councils Interest in Net Assets

Constituent Councils	Accumulated Subscriptions for Operations to 30 June 2011	Accumulated Subscriptions for Maintenance to 30 June 2011	Accumulated Subscriptions for Scheme Works to 30 June 2011	All Subscriptions to 30 June 2011	Percentage of Contributions to the Total	Council's Interests in Net Assets
Adelaide Hills Council	\$ 35,166	\$ 346	\$ 70,988	\$ 106,500	2.46%	<b>\$ 424,192</b>
The Barossa Council	\$ 35,166	\$ 1,734	\$ 354,951	\$ 391,851	9.06%	<b>\$ 1,560,752</b>
Town of Gawler	\$ 35,166	\$ 3,468	\$ 709,892	\$ 748,526	17.31%	<b>\$ 2,981,398</b>
Light Regional Council	\$ 35,166	\$ 1,734	\$ 354,951	\$ 391,851	9.06%	<b>\$ 1,560,752</b>
District Council of Mallala	\$ 35,166	\$ 5,784	\$ 1,183,146	\$ 1,224,096	28.30%	<b>\$ 4,875,605</b>
City of Playford	\$ 35,166	\$ 6,938	\$ 1,419,763	\$ 1,461,867	33.80%	<b>\$ 5,822,652</b>
	<b>\$ 210,996</b>	<b>\$ 20,004</b>	<b>\$ 4,093,691</b>	<b>\$ 4,324,691</b>	<b>100.00%</b>	<b>\$ 17,225,351</b>

Schedule of Constituent Councils' Interests in Net Assets' as at the 30th June 2011 adopted by the Board in accordance with Clause 15.5 of the Charter on 25th August 2011.



# 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 2010 – 2013**

### GRFMA BUSINESS PLAN

Adopted	3 <sup>rd</sup> April 2003
Amended	19 <sup>th</sup> February 2004
Amended	15 <sup>th</sup> June 2006
Amended	19 <sup>th</sup> June 2008
Amended	25 <sup>th</sup> June 2009
Amended	17 <sup>th</sup> June 2010

### **For the Period July 2010 to June 2011**

Address :	19 Charles Street, Norwood, South Australia 5067
Telephone:	(08) 8363 2969
Mobile:	040 778 2255
Facsimile:	(08) 8363 9783
Email:	<a href="mailto:contact@fredpedler.com">contact@fredpedler.com</a>
Web Site:	<a href="http://www.fredpedler.com">www.fredpedler.com</a>

**Gawler River Floodplain Management Authority**  
**Achievements Against the Business Plan 2010 – 2013 for the period July 2010 to June 2011**

For the previous achievements see the Annual Reports for the years ending June 2003 to 2010.

**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 December, February, and June Board Meetings. The June report will form part of the GRFMA Annual Report 2010 - 2011.

**Part A: Funding**

<b>Performance Targets:</b>	<b>Timings:</b>	<b>To be measured By:</b>	<b>Actual Achievements</b>
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"/> <b>May 2006 all Governments agree to the funding package totalling \$20 million</b> <input checked="" type="checkbox"/> <b>March 2010 SMA approval for \$1,066,612 additional grants for South Para Reservoir project</b> <input checked="" type="checkbox"/> <b>Scheme Total now \$21,697,377 grants total \$16,879,982</b>
Grant Claims	At all times	Lodge claims monthly for the payment of Commonwealth and State Government Grants.	<input checked="" type="checkbox"/> <b>Claims lodged at the end of the month</b>
Maintain positive Cash Flow	At all times	Positive bank account balances at all times.	<input checked="" type="checkbox"/> <b>Positive cash flow maintained</b>

**Part B: Proposed Flood Mitigation Scheme Works**

<b>North Para Works</b>			
Construction of the North Para Flood Control Dam completed	December 2007	Completed	
Scope of work expanded to include the relocation of the Turretfield flow gauge weir and tipping bucket rain gauge to a site downstream from the proposed dam. Site selection and ecological impact assessment of the weir construction completed October 2007			
Approval for the construction of the flow gauge weir	March 2008	Water Affecting Activity Licence	<input checked="" type="checkbox"/> <b>October 2008</b>
Construction of the flow gauge weir	February 2008	Call tenders for construction of the flow gauge weir	<input checked="" type="checkbox"/> <b>9<sup>th</sup> December 2008 Contract let (delayed by wet weather)</b>
	June 2008	Construction of the flow gauge weir completed	<input checked="" type="checkbox"/> <b>23<sup>rd</sup> April 2010 construction completed</b>

**Gawler River Floodplain Management Authority**  
**Achievements Against the Business Plan 2010 – 2013 for the period July 2010 to June 2011**

For the previous achievements see the Annual Reports for the years ending June 2003 to 2010.

**South Para Works**

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.

Dam safety review and design proposal to modify the dam wall and spillway completed September 2005

Detailed hydrology study of the catchment using the very latest methodologies let to Department of Transport, Energy and Infrastructure completed March 2007.

<b>Performance Targets:</b>	<b>Timings:</b>	<b>To be measured By:</b>	<b>Actual Achievements</b>
Detailed design of works	March 2009	Completion of detailed design and tender documents	<input checked="" type="checkbox"/> <b>Sep 2009 Final Design and ECI offer completed GRFMA share of costs advised</b> <input checked="" type="checkbox"/> <b>March 2010 GRFMA acceptance of shared cost estimate</b> <input checked="" type="checkbox"/> <b>Dec 2010 Draft contract received</b> <input checked="" type="checkbox"/> <b>Feb 2011 Revised SAW cost split</b>
Construction of the works	September 2009	Completion of construction	

**Lower Gawler River**

Following the November 2005 flood the scope of works was amended to include a geotechnical assessment of the existing flood control levees was undertaken in March 2006

The Mapping Project Stage Two identified that the parallel flow path identified as Strategy 6d proposed to carry the mitigated flow through the Lower Gawler River in a formalised parallel flood path would be drowned out in a 1 in 100 year flood event.

Alternate preliminary strategies to protect the townships identified in the Mapping Project Stage Two.

Prioritisation on a cost benefit basis of identified strategies to reduce flooding from the Gawler River	June 2008	Approval of strategies to mitigate flooding on the Gawler River.	<input checked="" type="checkbox"/> <b>December 2008 - Assessment Report completed</b> <input checked="" type="checkbox"/> <b>December 2008 - Strategy 6d abandoned.</b>
--	-----------	--	---

**Gawler River Floodplain Management Authority**  
**Achievements Against the Business Plan 2010 – 2013 for the period July 2010 to June 2011**

For the previous achievements see the Annual Reports for the years ending June 2003 to 2010.

<b>Mapping of the Floodplain</b>			
<p>Following the receipt of the <i>Department for Transport Energy and Infrastructure</i> Hydrological Study of the Gawler River Catchment – March 2007 report, in May 2007 the Board approved a Mapping of the Floodplain project to identify the parts of the floodplain that will remain at risk of flooding, post works, in a 100 ARI flood event.</p> <p>Australian Water Environments with Water Technology Australia were engaged in June 2007 to undertake the project</p>			
<b>Performance Targets:</b>	<b>Timings:</b>	<b>To be measured By:</b>	<b>Actual Achievements</b>
Preparation of flood mapping	February 2008	Flood mapping plans prepared	<input checked="" type="checkbox"/> <b>Stage 1 completed February 2008</b>
Preparation of concept flood mitigation strategy and final report	April 2008	Concept flood mitigation strategy prepared	<input checked="" type="checkbox"/> <b>Stage 2 completed December 2008</b>
Prioritisation of strategies	June 2008	Prioritised Strategies Prepared	<input checked="" type="checkbox"/> <b>Proposed as part of Gawler River Flood Mitigation Scheme Mark Two Strategy</b>
<p>In September 2009 SA Water advised the GRFMA of its share of the costs to undertake the South Para Reservoir Works. As this cost significantly exceeded earlier cost estimates and the budgeted provision for the project a revised application was made to the Stormwater Management Authority (SMA) for additional funding. The SMA advised that the GRFMA should prepare a mapping and cost benefit case to support the application for additional funding. This action was endorsed by the Board (GRB 09/0044 of 15th October 2009)</p>			
Preparation of floodplain mapping Addendum – WO South Para Works	October 2009	Mapping series and 'difference' maps prepared for the scenario WO South Para Works	<input checked="" type="checkbox"/> <b>Addendum map series completed October 2009</b>
Preparation of Cost Benefit study South Para Works	November 2009	A report of the benefit of the cost of the South Para works against the estimated flood damages if the works do not proceed	<input checked="" type="checkbox"/> <b>Cost benefit report completed November 2009</b>

**Gawler River Floodplain Management Authority  
Achievements Against the Business Plan 2010 – 2013 for the period July 2010 to June 2011**

For the previous achievements see the Annual Reports for the years ending June 2003 to 2010.

**Gawler River Flood Mitigation Scheme – Mark Two**

Following the receipt of the Gawler River Floodplain Mapping Project – Flood Mitigation Options – Preliminary Assessment – AWE November 2008 - Final Draft and the Gawler River Floodplain Mapping Project – Flood Mitigation Options – Preliminary Assessment – AWE December 2008 – Stage Two Report, the Board approved the preparation of a **Gawler River Flood Mitigation Scheme – Mark Two** report that will guide the Board in its assessment of Priority Two Works (see above)

DTEI have been requested to provide a preliminary assessment of the possibility of modifying the existing dam and / or erecting a second dam that would raise the level of flood control to 1 in 100 year event on the North Para River.

**The funding for this project has been withdrawn due to South Para Project cost overrun**

**Part B: Maintenance of the Scheme**

<b>Performance Targets:</b>	<b>Timings:</b>	<b>To be measured By:</b>	<b>Actual Achievements</b>
Preparation of a Schedule of Dam Maintenance Works including costings	January 2008	Completion of the Schedule	☑ <b>O&amp;M Plan adopted July 2008</b>
Six monthly inspection	June and December	Completion of Inspection Report	☑ <b>April 2009 – dam Inspector Inspection</b> ☑ <b>Oct 2009 - Dam Inspector Inspection</b> ☑ <b>April 2010 – dam Inspector Inspection</b> ☑ <b>Oct 2010 – Dam Inspector inspection</b> ☑ <b>April 2011 – Dam Inspector inspection</b>
Inspection following initial filling of the Dam	Within one month of event	Completion of Inspection Report	☑ <b>Nov 2009 - Call for survey services</b> ☑ <b>Dec 2009 – Alexander Symonds engaged as surveyor</b> ☑ <b>Oct 2009 - Approval to erect two additional survey pillars</b> ☑ <b>August 2010 – Construction of pillars completed</b> ☑ <b>Sep 2010 – Flood event ARI 7 dam water rose to 70 m. Dam operates as designed. No property damage reported. Dried reed debris accumulated behind the dam wall.</b> ☑ <b>Dec 2010 – Flood event &gt; ARI 10 dam water rose to 72.5 m HLOP operated. Dam operated as designed. No property damage reported. Dried reed debris accumulated behind the dam wall.</b>

**Gawler River Floodplain Management Authority**  
**Achievements Against the Business Plan 2010 – 2013 for the period July 2010 to June 2011**

For the previous achievements see the Annual Reports for the years ending June 2003 to 2010.

**Part C: Operation of the Regional Subsidiary**

<b>Performance Targets:</b>	<b>Timings:</b>	<b>To be measured By:</b>	<b>Actual Achievements</b>
Reports to Stakeholders	Twice yearly	The publication and distribution of a Fact Sheet to all stakeholders and affected landowners.	<input checked="" type="checkbox"/> <b>Nov 2010 – Community Information Sheet – ‘Arresting the Flow’</b>
	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"/> <b>June 2010 - Business Plan 2010 – 2013 adopted</b> <input checked="" type="checkbox"/> <b>June 2011 - Achievements against the Business Plan 2010 – 2013 completed</b>
Maintain effective Regional Subsidiary	December	The performance of the Executive Officer be reviewed annually	<input checked="" type="checkbox"/> <b>Review conducted February 2011</b>
	August	The appointment of Auditor, Bank Operators, levels of insurance, appropriate registrations, delegations and policies be reviewed annually.	<input checked="" type="checkbox"/> <b>Review conducted August 2010</b>
Review of the Business Plan	By 31 <sup>st</sup> March	Review the Business Plan prior to preparing the Budget Forward to the Councils	<input checked="" type="checkbox"/> <b>April 2011 – Approved for consultation</b>
Annual Budget	By 31 <sup>st</sup> 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"/> <b>April 2011 – Approved for consultation</b> <input checked="" type="checkbox"/> <b>June 2011 – Budget 2011 – 2012 Adopted</b>
Subscriptions	June December	Send half year subscriptions to Council Send half year subscriptions to Council	<input checked="" type="checkbox"/> <b>All subscriptions paid</b>
Report to Constituent Councils	Following each Board meeting By 30 <sup>th</sup> September	The receipt of the following reports by Councils: <ul style="list-style-type: none"> <li>• Board Meeting Key Outcome Summary</li> <li>• Annual Report including Annual Financial Statements</li> </ul>	<input checked="" type="checkbox"/> <b>Key Outcomes Summary distributed following each meeting</b> <input checked="" type="checkbox"/> <b>Annual Reports forwarded to Councils 31<sup>st</sup> August 2010</b>



# Central

## Local Government Region of South Australia

Incorporated under provisions of the Local Government Act

# Annual Report for 2010 – 2011

*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  
0427609 404

**Facsimile:**

(08) 8638 5551

**Email:**

[ceo@centralregion.sa.gov.au](mailto:ceo@centralregion.sa.gov.au)

**Website:**

[www.centralregion.sa.gov.au](http://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 2010/11**

---

<b>Chairman:</b>	Mayor James Maitland (Wakefield)
<b>Deputy Chairs:</b>	Mayor Ray Agnew (Yorke Peninsula) Mayor Max Mc Hugh (Flinders Ranges) - to Nov 2010 Cr Neville Wilson (Port Pirie) – from Feb 2011
<b>Delegate to the LGA State Executive:</b>	Mayor James Maitland (Wakefield) Mayor Ray Agnew (Yorke Peninsula) – to April 2011 Mayor Allan Aughey (Clare & Gilbert Valleys) – from April 2011
<b>Proxy Delegate to the LGA State Executive:</b>	Mayor Allan Aughey (Clare & Gilbert Valleys) – to April 2011 Mayor Ray Agnew (Yorke Peninsula) –from April 2011
<b>Delegates to SAROC:</b>	Mayor James Maitland (Wakefield) Mayor Ray Agnew (Yorke Peninsula) – to April 2011 Mayor Allan Aughey (Clare & Gilbert Valleys) – from April 2011 Ms Anita Crisp Proxy: Mayor Allan Aughey (Clare & Gilbert Valleys) – to April 2011; Mayor Ray Agnew (Yorke Peninsula) –from April 2011
<b>Executive Officer:</b>	Anita Crisp
<b>Auditor:</b>	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.

In February 2007 the Central Local Government Region confirmed, subject to the provisions within the Charter, the appointment of the following Council delegates to the CLGR Board of Management for a term that expired concurrent with the November 2010 Local Government elections:

<b>Council</b>	<b>Delegate</b>	<b>Proxy Delegate</b>
The Barossa Council	Mayor Brian Hurn	Cr Barrie Stewart (to Nov 2010) D/Mayor David DeVries (from Nov 2010)
District Council of Barunga West	Mayor Dean Dolling	D/Mayor Ian Burgess (to Nov 2010) Cr Brian Rooney (from Nov 2010)
District Council of the Copper Coast	Mayor Paul Thomas	D/Mayor Dean Rodda
Clare & Gilbert Valleys Council	Mayor Allan Aughey	Cr Wayne Thomas Cr Elizabeth Calvert
Flinders Ranges Council	Mayor Max McHugh (to Nov 2010) Mayor Peter Slattery (from Nov 2010)	D/Mayor John Shute
Regional Council of Goyder	Mayor Peter Matthey	D/Mayor Warren Mosey (to Nov 2010) D/Mayor Judy Partington (from Nov 2010)
Light Regional Council	Mayor Robert Hornsey (to Nov 2010) Mayor Bill O'Brien (From Nov 2010)	D/Mayor Dean Rohrlach (from Nov 2010)
District Council of Mallala	Cr Marcus Strudwicke	nil
District Council of Mount Remarkable	Mayor Trevor Roocke (to Nov 2010) Mayor Sandra Wauchope (from Nov 2010)	Cr Michael Pearce (to Nov 2010) D/Mayor Ray Walker (from Nov 2010)
Northern Areas Council	Chair Cr Allan Woolford (to Nov 2010) Chair Ben Browne (form Nov 2010)	Cr Denis Clark
District Council of Orroroo Carrieton	Chair Cr Kathie Bowman (to Nov 2010) Chair Colin Parkyn (from Nov 2010)	D/Chair Malcolm Byerlee
District Council of Peterborough	Mayor Ruth Whittle	Cr Judith Kempen (to Nov 2010) Cr Frank Hardbottle (from Nov 2010)
Port Pirie Regional Council	Deputy Mayor Neville Wilson	nil
Wakefield Regional Council	Mayor James Maitland	D/Mayor Darryl Ottens (from Nov 2010)
District Council of Yorke Peninsula	Mayor Ray Agnew	Cr John Rich (from Nov 2010)s

## Meetings of the Central Local Government Region Board of Management

---

Four meetings of the Central Local Government Region Board of Management were held during the 2010/2011, 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 13<sup>th</sup> August 2010 – AGM, hosted by District Council of Mallala
- Friday 12<sup>th</sup> November 2010, hosted by District Council of Mt Remarkable
- Friday 11<sup>th</sup> February 2011, hosted by Northern Areas Council
- Friday 13<sup>th</sup> May 2011, hosted by District Council of Orroroo Carrieton



## 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 committee's 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
<b>Executive Committee:</b>	Mayor James Maitland, Mayor Max McHugh (to Nov 2010), Mayor Ray Agnew, Mayor Trevor Roocke (to Nov 2010), Cr Kathie Bowman (to Nov 2010), Cr Neville Wilson (from Feb 2011), Mayor Allan Aughey (from Feb 2011), Mayor Ruth Whittle (form Feb 2011)	9 <sup>th</sup> September 2010 29 <sup>th</sup> October 2010 1 <sup>st</sup> April 2011 28 <sup>th</sup> April 2011
<b>Audit Committee:</b>	Mayor Ray Agnew (Chair), Cr Kathie Bowman, Dr Andrew Johnson, Mr Colin Davies	29 <sup>th</sup> July 2010 29 <sup>th</sup> October 2010
<b>Member Councils CEO's Forums:</b>	David Morcom (Barossa), Nigel Hand (Barunga West), Roy Blight (Clare & Gilbert Valleys), Peter Dinning (Copper Coast) – to Jan 2011, Colin Davies (Flinders Ranges), John Brak (Goyder), Brian Carr (Light), Charles Mansueto (Mallala), Sean Cheriton (Mt Remarkable), Keith Hope (Northern Areas), Iian Wilson (Orroroo/Carrieton), Terry Barnes (Peterborough), Andrew Johnson (Pirie Regional), Phil Barry (Wakefield), Ricki Bruhn (Yorke Peninsula) – to Oct 2010. Chaired by a member of the CLGR Executive	16 <sup>th</sup> July 2010 8 <sup>th</sup> October 2010 17 <sup>th</sup> December 2010 15 <sup>th</sup> April 2011 (cancelled)
<b>Transport Infrastructure Planning Committee:</b>	Iian Wilson - Chair (Orroroo Carrieton), John Tillack (Mallala), Grant McKenzie (Clare & Gilbert Valleys), Roy O'Connor (Goyder), Fred Linke (Barunga West), Brenton Pearce (Mt Remarkable), Len Wilton (Port Pirie), Richard Pym (Copper Coast), Joanne Buchanan (Regional Development), Bob Bemmerl (DTEI)	5 <sup>th</sup> July 2010 30 <sup>th</sup> September 2010 16-17 <sup>th</sup> February 2011 7 <sup>th</sup> April 2011
<b>Regional Climate Change Steering Committee:</b>	David Morcom (Barossa), Anita Crisp (CLGR Executive Officer), Kelly-Anne Saffin (RDA Y&MN), Anne Moroney (RDA Barossa), Lynne Walden & Pam Pilkington (N&Y NRM Board), Mike Fretwell (Y&MN ZEMC)	21 <sup>st</sup> December 2010 24 <sup>th</sup> February 2011 21 <sup>st</sup> April 2011
<b>Coastal Councils Network:</b>	Aleisa Lamanna (District Council of Mallala), TBA (Wakefield Regional Council), Stephen Goldsworthy (District Council of Yorke Peninsula), Peter Dinning/Andy West District Council of the Copper Coast, Nigel Hand (District Council of Barunga West), TBA (Port Pirie Regional Council), Sean Cheriton (District Council of Mt Remarkable). Ms Anita Crisp (Central Region Executive Officer), Ms Deborah Allen (Coastcare Facilitator) – ex officio	22 <sup>nd</sup> October 2010
<b>Regional Waste Management Committee:</b>	Nil	Nil
<b>Water Project Steering Committee:</b>	Mr Ricki Bruhn (Yorke Peninsula) – to Oct 2010, Mr Peter Dinning (Copper Coast) – to Jan 2011, Mr Henri Mueller (Mallala), Mr Peter Stockings (Yorke Regional Development Board), Mr Kerry Ward (Northern & Yorke NRM Board) – to April 2011, Mr Paul Doherty (SA Water/Office of Water Security) – to Nov 2010. Mr Geoffrey White (Project Officer) – to July 2010	Nil
<b>Executive Officer Performance Review Committee:</b>	Mayor James Maitland, Mr Nigel Hand, Cr Kathie Bowman	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 2010/11 financial year.

- 16<sup>th</sup> July 2010      Governance, Asset and Risk Management Workshop, Crystal Brook
- 22<sup>nd</sup> July 2010      Waste Management Update Forum, Port Pirie
- 13<sup>th</sup> August 2010    Digital Television Switchover, Parham
- 27<sup>th</sup> October 2010   Regional Transport Workshop – Special Local Roads Briefing, Crystal Brook
- 1<sup>st</sup> April 2011        Regional Planning Review Forum, Clare – hosted in conjunction with the Northern & Yorke Natural Resources Management Board and Regional Development Australia Yorke and Mid North
- 31<sup>st</sup> May 2011        Climate Change Vulnerability Assessment Workshop, Clare – hosted in conjunction with the Northern & Yorke Natural Resources Management Board and Regional Development Australia Barossa and Yorke/Mid North



# Achievements for 2010/11

During the 2010/11 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 2010/11

- Review of Central Region Strategic Plan five year targets
- Ongoing alignment of Central Local Government operations with agreed policies and procedures  
CLGR Board meeting agendas & minutes distributed in accordance with policy  
Operation of Central Region Audit Committee  
Committee operations executed within terms of reference
- Application for audit committee exemption
  - Executive support performance and 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 2010/11

- Quarterly Council Chief Executive Officer's forum held
- Workshop Council Asset, Governance and Risk Management
- Coordination of early access by Central Region Councils to LGA Reform Fund audits
- Attendance by Local Government Association (LGA) and Department of Planning and Local Government (DPLG) at Central Region quarterly meetings
- Communications with LGA and DPLG staff as required
- 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 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
- Website update commenced

### 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 2010/11

##### Regional Identity & Cohesion

- Formation of Regional Strategic Alliance with Northern & Yorke Natural Resources Management Board (NRM) and Regional Development Australia Yorke and Mid North (RDA)
- Inaugural Annual Planning Review Forum with NRM and RDA
- Central Region delegate to LGA Planning Reform Working Group
- DPLG planning reform trial with NRM and RDA
- Correspondence to Premier and Ministers regarding lack of coordination across agencies in planning and community consultation
- Development of State Budget regional implications information paper
- Liaison with LGA and RDA regarding Federal Regional Australia agreement
- Participation in Regional Government Coordination Network
- Continued Central Region office co-location with Regional Department of Transport, Crystal Brook

##### Waste Management

- Waste management update forum
- Coordination of Regional Assessment Panel for Zero Waste SA 'Regional Implementation Program'
- Preparation of Regional Implementation Program regional submission
- Liaison with Federal and State Government and LGA regarding e-waste particularly in relation to digital TV switchover

##### Transport

Assessment, inspection and regional submission to Special Local Roads program

Council Special Local Roads briefing held

- Correspondence to Minister regarding Road Reserve Responsibilities

##### Environment

- Technical support input into LGA roadside vegetation management review

Local Government rep attendance at Regional NRM Board meetings

- Submissions to Adelaide/Mt Lofty, SA Murray Darling and Northern & Yorke NRM Board business plans
- Australian Government Caring for our Country funding for engagement of Regional Coastcare Officer and on-ground works
- Formalisation of Coastal Councils Group as a standing committee

##### Water Resources

- Funding of Technical Officer (Water) for Central Region
- Reinvigoration of Water Committee including agency representatives
- Murray Darling Association Region 8 annual update to Central Region board

##### Climate Change and Emergency Management

Participation in Zone Emergency Management committees (ZEMC)

- Local Government representation on Regional Drought Taskforce
- Correspondence to State Minister regarding Regional Bushfire Management committee
- Funding for Regional Climate Change Vulnerability Assessment with RDA, NRM and ZEMC support
- Climate Change Sector Agreement with RDA, NRM and Dept Premier & Cabinet
- Coordination of Council flood damage data; meetings with MPs; correspondence to Minister; local media; liaison with LGA

##### Community Wellbeing, Health and Prosperity

- Meeting and correspondence to Minister Conroy re Digital TV switchover
- Federal funding for engagement of a regional Digital TV Switchover Liaison Officer
- Participation in RDA Broadband Committee
- Liaison with NBN Co.
- Liaison with LGA, DPLG, Renewables SA and Correspondence to Minister regarding windfarm development
- Australia Day Council presentation to Central Region board

# Audited Financial Statements 2010/11

---

CENTRAL LOCAL GOVERNMENT REGION OF SA INC.

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011

	NOTES	2011 \$	2010 \$
<b>INCOME</b>			
Council Contributions	3.	165,332	147,201
Grants, Subsidies and Other Contributions	4.	541,337	230,468
Investment Income	5.	22,108	13,074
Other Incomes	6.	19,500	7,727
<b>TOTAL INCOME</b>		<b>748,277</b>	<b>398,470</b>
<b>EXPENSES</b>			
Materials, Contracts & Other Expenses	7.	579,944	550,155
<b>TOTAL EXPENSES</b>		<b>579,944</b>	<b>550,155</b>
<b>OPERATING SURPLUS (DEFICIT)</b>		<b>168,333</b>	<b>(151,685)</b>
Asset Disposal & Fair Value Adjustments	8.	(19,293)	(7,277)
<b>NET SURPLUS (DEFICIT)</b>		<b>149,040</b>	<b>(158,962)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>149,040</b>	<b>(158,962)</b>

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

CENTRAL LOCAL GOVERNMENT REGION OF SA INC.

**BALANCE SHEET  
AS AT 30 JUNE 2011**

	NOTES	2011 \$	2010 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	9.	544,362	380,773
Trade & Other Receivables	10.	38,201	30,027
<b>TOTAL CURRENT ASSETS</b>		<b>582,564</b>	<b>410,801</b>
<b>NON-CURRENT ASSETS</b>			
Infrastructure, Property, Plant & Equipment	11.	28,059	21,830
<b>TOTAL NON-CURRENT ASSETS</b>		<b>28,059</b>	<b>21,830</b>
<b>TOTAL ASSETS</b>		<b>610,623</b>	<b>432,630</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade & Other Payables	12.	28,953	
<b>TOTAL CURRENT LIABILITIES</b>		<b>28,953</b>	<b>0</b>
<b>NON-CURRENT LIABILITIES</b>			
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>		<b>28,953</b>	<b>0</b>
<b>NET ASSETS</b>		<b>581,670</b>	<b>432,630</b>
<b>EQUITY</b>			
Accumulated Surplus		249,170	310,630
Other Reserves		332,500	122,000
<b>TOTAL EQUITY</b>		<b>581,670</b>	<b>432,630</b>

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

CENTRAL LOCAL GOVERNMENT REGION OF SA INC.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2011**

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
<b>RESTATED OPENING BALANCE</b>	<b>310,630</b>	<b>-</b>	<b>-</b>	<b>122,000</b>	<b>432,630</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>149,040</b>				<b>149,040</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
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
<b>BALANCE AT END OF PERIOD</b>	<b>249,170</b>	<b>-</b>	<b>-</b>	<b>332,500</b>	<b>581,670</b>

2010	Accumulated Surplus	Asset Revaluation Reserve	Available for Sale Financial Assets	Other Reserves	Total Equity
Balance at End of Previous Reporting Period	591,592				591,592
Adjust. due to Compliance with Revised Acc Standards					0
Adjust. to give effect to Changed Acc Policies					0
<b>RESTATED OPENING BALANCE</b>	<b>591,592</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>591,592</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>(158,962)</b>				<b>(158,962)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
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	(122,000)			122,000	0
<b>BALANCE AT END OF PERIOD</b>	<b>310,630</b>	<b>-</b>	<b>-</b>	<b>122,000</b>	<b>432,630</b>

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

CENTRAL LOCAL GOVERNMENT REGION OF SA INC.

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2011**

	NOTES	2011 \$	INFLOWS (OUTFLOWS)	2010 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<i>Receipts</i>				
Operating Receipts		721,114		453,861
Investment Receipts		19,310		12,126
GST Collected		70,132		42,706
GST Refund from the ATO		55,000		43,469
<i>Payments</i>				
Operating Payments to Suppliers & Employees		(553,594)		(550,366)
Finance Payments				
GST Payments on Purchases		(52,214)		(43,674)
GST Remitted to the ATO		(70,637)		(35,493)
<b>NET CASH PROVIDED BY (OR USED IN) OPERATING ACTIVITIES</b>		<b>189,111</b>		<b>(77,371)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<i>Receipts</i>				
Sale of Replaced Assets		35,541		21,364
<i>Payments</i>				
Expenditure on Renewal/Replacement of Assets		(61,063)		(21,830)
<b>NET CASH PROVIDED BY (OR USED IN) INVESTING ACTIVITIES</b>		<b>(25,523)</b>		<b>(466)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<i>Receipts</i>				
<i>Payments</i>				
<b>NET CASH PROVIDED BY (OR USED IN) FINANCING ACTIVITIES</b>		<b>0</b>		<b>0</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		<b>163,589</b>		<b>(77,837)</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD</b>		<b>380,773</b>		<b>458,610</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF REPORTING PERIOD</b>	13.	<b>544,362</b>		<b>380,773</b>

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 2011

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) Regulation 2011 dated 4 November 2011.

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 2011**

**(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 2011**

**(i) New Accounting Standards**

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2011 reporting period.

AASB 1	First-time Adoption of Australian Accounting Standards
AASB 3	Business Combinations
AASB 5	Non-Current Assets Held for Sale and Discontinued Operations
AASB 7	Financial Instruments: Disclosures
AASB 8	Operating Segments
AASB 9	Financial Instruments
AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates & Errors
AASB 110	Events after the Reporting Date
AASB 118	Revenue
AASB 119	Employee Benefits
AASB 132	Financial Instruments: Presentation
AASB 137	Provisions, Contingent Liabilities and Contingent Assets
AASB 139	Financial Instruments: Recognition and Measurement
AASB 140	Investment Property
AASB 1031	Materiality
AASB 2009-11	Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]
AASB 2009-12	Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]
AASB 2010-5	Amendments to Australian Accounting Standards [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]
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]
Interpretation 14	AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

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 2010 / 2011 these were \$9,307 exclusive of GST.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**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	Natural Resource Management
Regional Transport Strategy & Review	Natural Disaster & Risk Mitigation
Water Project	Broadband Project
Transport Infrastructure Committee	Regional Waste 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	2011	2010
		\$	\$
<b>3. COUNCIL CONTRIBUTIONS</b>			
General Operations		139,605	136,080
Regional Waste Study		20,000	
Roads Project		5,727	11,121
		<u>165,332</u>	<u>147,201</u>
<b>4. GRANTS, SUBSIDIES &amp; OTHER CONTRIBUTIONS</b>			
Other Grants, Subsidies & Contributions		541,337	230,468
		<u>541,337</u>	<u>230,468</u>
<i>Sources of Grants</i>			
Commonwealth Government		417,000	80,468
State Government		89,800	125,000
Other		34,537	25,000
		<u>541,337</u>	<u>230,468</u>
<i>Conditions Over Grants &amp; 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		117,559	452,918
Less: Expended During the Current Period from Revenues Recognised in Previous Reporting Periods:-			
Waste Study			13,727
Regional Bus Project			170,500
Broadband Project			92,908
Water Project	4,661		
Local Government			36,565
Natural Resources Management	6,513		122,913
Climate Change	76,310		
Coastal Councils Project	3,023		
Digital Television	17,518		
		<u>108,024</u>	<u>436,614</u>
Plus: Amounts Recognised as Revenues in this Reporting Period but Not Yet Expended in Accordance with the Conditions:-			
Waste Study			
Broadband Project			
Water Project	25,000		4,795
Natural Resources Management			6,513
Climate Change	64,800		69,406
Coastal Councils Project	126,473		3,023
Digital Television			17,518
		<u>216,273</u>	<u>101,255</u>
Unexpended at Close of Reporting Period and held as Restricted Assets		<u>225,809</u>	<u>117,559</u>
Net Increase (Decrease) in Restricted Assets in Current Reporting Period		<u>108,249</u>	<u>(335,359)</u>
<b>5. INVESTMENT INCOME</b>			
Interest on Investments			
Local Government Finance Authority		20,993	12,761
Banks & Other		1,115	313
		<u>22,108</u>	<u>13,074</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011

	NOTES	2011	2010
<b>6. OTHER INCOMES</b>		\$	\$
Vehicle Charges		10,000	7,000
Project Management		9,500	
Sundry			727
		<u>19,500</u>	<u>7,727</u>
<b>7. MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<i>Prescribed Expenses</i>			
Auditor's Remuneration			
Auditing the Financial Reports		900	900
		<u>900</u>	<u>900</u>
<i>Other Materials, Contracts &amp; Expenses</i>			
Contractors		495,974	495,903
Energy / Fuel		4,737	4,112
Members Allowances		4,963	5,405
Meeting Costs		3,981	6,175
Liability Insurance		6,699	5,108
Gazette Notice			5,002
Sundry		62,691	27,550
		<u>579,044</u>	<u>549,255</u>
		<u>579,944</u>	<u>550,155</u>
<b>8. ASSET DISPOSAL &amp; FAIR VALUE ADJUSTMENTS</b>			
Proceeds from Disposal		35,541	21,364
Less: Carrying Amount of Assets Sold		54,834	28,641
		<u>(19,293)</u>	<u>(7,277)</u>
<b>9. CASH &amp; CASH EQUIVALENTS</b>			
Cash on Hand & At Bank		21,708	76,314
Deposits at Call		522,654	304,460
	13.	<u>544,362</u>	<u>380,773</u>
<b>10. TRADE &amp; OTHER RECEIVABLES</b>			
Accrued Revenues		6,320	3,521
Debtors - General		31,882	26,506
		<u>38,201</u>	<u>30,027</u>
<b>11. INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>			
<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.			
<b>PLANT &amp; EQUIPMENT</b>			
At Cost		28,059	21,830
		<u>28,059</u>	<u>21,830</u>
Carrying Amount at Close of Previous Reporting Period		21,830	28,641
Additions		61,063	21,830
Disposals		(54,834)	(28,641)
Carrying Amount at Close of Current Reporting Period		<u>28,059</u>	<u>21,830</u>
<b>12. TRADE &amp; OTHER PAYABLES</b>			
Goods & Services		28,953	
		<u>28,953</u>	<u>0</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011

13.	NOTES	2011	2010
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.	544,362	380,773
Less: Short Term Borrowings	BS		
Balance per Cash Flow Statement		<u>544,362</u>	<u>380,773</u>
<i>Reconciliation of Change in Net Assets to Cash from Operating Activities</i>			
Net Surplus (Deficit)		149,040	(158,962)
Non-Cash Items in Income Statement			
Net (Gain) Loss on Disposals		19,293	7,277
(Gain) Loss on Disposal of Assets of Discontinued Operations			
		<u>168,333</u>	<u>(151,685)</u>
Add (Less): Changes in Net Current Assets			
Net (Increase) Decrease in Receivables		(8,174)	74,546
Net Increase (Decrease) in Trade & Other Payables		29,282	(232)
Net Cash Provided (or Used In) Operating Activities		<u>189,441</u>	<u>(77,371)</u>
<i>Non-Cash Financing and Investing Activities</i>			
Acquisition of Assets by Means of:-			
Physical Resources Received Free of Charge			
Non-Cash Grants & Contributions			
Amounts Recognised in Income Statement		<u>0</u>	<u>0</u>
Finance Leases			
Land Taken Over for Non-Payment of Rates		<u>0</u>	<u>0</u>
14.	RECOGNISED FINANCIAL INSTRUMENTS		
<i>Bank, Deposits at Call, Short Term Deposits</i>			
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.		
<i>Receivables - Fees &amp; Other Charges</i>			
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).		
<i>Receivables - Other Levels of Government</i>			
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.		
<i>Liabilities - Creditors and Accruals</i>			
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 2011

15. LIQUIDITY ANALYSIS	Instrument Due			Total Contractual Cash Flows	Carrying Values
	< 1 year	> 1 and < 5 yrs	> 5 years		
<b>2011</b>					
<b>Financial Assets</b>					
Cash & Equivalents	544,362			544,362	544,362
Receivables	38,201			38,201	38,201
Other Financial Assets				0	0
<b>Total Financial Assets</b>	<b>582,564</b>	<b>0</b>	<b>0</b>	<b>582,564</b>	<b>582,564</b>
<b>Financial Liabilities</b>					
Payables	28,953			28,953	28,953
Current Borrowings				0	0
Non-Current Borrowings				0	0
<b>Total Financial Liabilities</b>	<b>28,953</b>	<b>0</b>	<b>0</b>	<b>28,953</b>	<b>28,953</b>
<b>2010</b>					
<b>Financial Assets</b>					
Cash & Equivalents	380,773			380,773	380,773
Receivables	30,027			30,027	30,027
Other Financial Assets				0	0
<b>Total Financial Assets</b>	<b>410,801</b>	<b>0</b>	<b>0</b>	<b>410,801</b>	<b>410,801</b>
<b>Financial Liabilities</b>					
Payables				0	0
Current Borrowings				0	0
Non-Current Borrowings				0	0
<b>Total Financial Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

	2011		2010	
	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
		<u>0</u>		<u>0</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 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 2011**

**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	2011	2010
		\$	\$
<b>RECONCILIATION OF FINANCIAL ASSETS &amp; LIABILITIES</b>			
<i>Excess of Financial Assets over Liabilities</i>			
Financial Assets		576,244	407,279
Financial Liabilities		(28,953)	0
		<u>547,292</u>	<u>407,279</u>
<i>Non-Financial Assets (Liabilities)</i>			
Accrued Revenues		6,320	3,521
Property, Plant & Equipment		28,059	21,830
		<u>34,379</u>	<u>25,351</u>
		<u><b>581,670</b></u>	<u><b>432,630</b></u>

**17. FINANCIAL INDICATORS**

	2011	2010	2009	2008
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.				
<b>Operating Surplus</b>	168,333	(151,685)	232,911	(9,197)
<i>Being the operating surplus (deficit) before capital amounts.</i>				
<b>Operating Surplus Ratio</b>	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>				
<b>Net Financial Liabilities</b>	(553,611)	(410,801)	(562,951)	(340,044)
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in the Region's businesses).</i>				
<b>Net Financial Liabilities Ratio</b>	(74 %)	(103 %)	(84 %)	(95 %)
<b>Interest Cover Ratio</b>	(3.0 %)	(3.4 %)	(2.2 %)	(6.6 %)
<b>Asset Sustainability Ratio</b>	N/A	N/A	N/A	N/A
<b>Asset Consumption Ratio</b>	N/A	N/A	N/A	N/A

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**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.

	2011	2010
	\$	\$
Income	748,277	398,470
less Expenses	<u>(579,944)</u>	<u>(550,155)</u>
	168,333	(151,685)
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	(61,063)	(21,830)
less Depreciation, Amortisation and Impairment		
less Proceeds from Sale of Replaced Assets	<u>35,541</u>	<u>21,364</u>
	(25,523)	(466)
<b>Net Outlays on New &amp; Upgraded Assets</b>		
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
<b>Net Lending (Borrowing) for Reporting Period</b>	<u>142,811</u>	<u>(152,151)</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 2011**

**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 2011 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

.....  
16/12/2011  
Dated



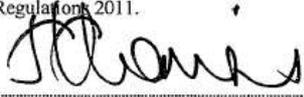
.....  
Mayor J Maitland  
President

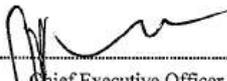
**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

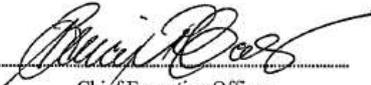
To the best of our knowledge and belief, we confirm that, for the purpose of the Audit of the Central Local Government Region of South Australia Incorporated for the year ended 30 June 2011, the Association's Auditor, Ian G McDonald, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

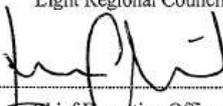
This Statement is prepared in accordance with the requirements of Regulation 22(3) of the Local Government (Financial Management) Regulations 2011.

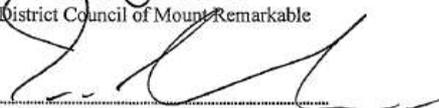
  
-----  
**Acting** Chief Executive Officer  
The Barossa Council

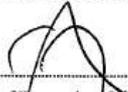
  
-----  
Chief Executive Officer  
Clare & Gilbert Valleys Council

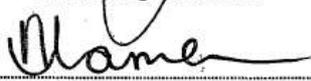
  
-----  
Chief Executive Officer  
The Flinders Ranges Council

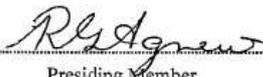
  
-----  
Chief Executive Officer  
Light Regional Council

  
-----  
Chief Executive Officer  
District Council of Mount Remarkable

  
-----  
Chief Executive Officer  
District Council of Orroroo Carrieton

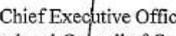
  
-----  
Chief Executive Officer  
Port Pirie Regional Council

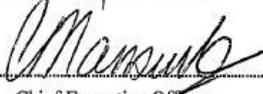
  
-----  
Chief Executive Officer  
District Council of Yorke Peninsula

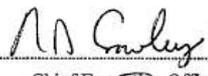
  
-----  
Presiding Member  
Central Local Government Region Audit Committee

  
-----  
Chief Executive Officer  
District Council of Barunga West

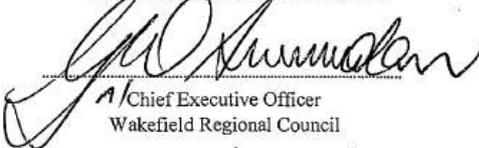
  
-----  
Chief Executive Officer  
District Council of the Copper Coast

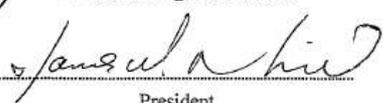
  
-----  
Chief Executive Officer  
Regional Council of Goyder

  
-----  
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



**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 2011 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 2011.

**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 1999. 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 2011, 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 1999.

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 3 day of February 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](mailto:imd1962@bigpond.net.au)