



*The Rural City of*  
**MURRAY  
BRIDGE**

*Bridge to Opportunity*



# Annual Report

2013-2014



## Ngarrindjeri Welcome

We acknowledge the Ngarrindjeri people as the traditional owners of this land on which we meet and work. We respect and acknowledge their spiritual connection as the custodians of this land and that their cultural heritage beliefs are still important to the living people today.

We recognise the living culture and combined energies of the Ngarrindjeri people our global pioneers and community members today for their unique contribution to the life of our region.

The Ngarrindjeri Mosaic Project located at the Local Government Centre is an imposing mosaic artwork with the design based on the Ngarrindjeri creation story of Ngurunderi, the great ancestral creator who chased pondi (Murray Cod) down stream and forged the path of the mighty Murray River. It is the oldest known story of the Murray River and teaches about Ngarrindjeri culture, the environment and spiritual beliefs



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## Introduction

### The Annual Report 2013-14

The Annual Report 2013-14 highlights Council's key achievements during the year and also includes a range of statutory information that Council is required to report on under the Local Government Act, 1999.

Council is structured around a guiding principle of ensuring good governance and four goals (Economic, Social, Environment and Organisation) that are the foundations of the Rural City of Murray Bridge Strategic Plan 2011-2015 (amended Oct, 2013). These represent the shared vision for Council and the community and set strategies to meet this vision.

While Councils are required to provide prescribed information, the Rural City of Murray Bridge also provides additional information in order to be open and accountable to its community and stakeholders about achievements and challenges of the previous financial year.

A monthly report is prepared for Council that provides general information relating to the status of Council's current projects.

### The Rural City Snapshot

20,579	Population
1,832 km <sup>2</sup>	Area
10	Elected Members including Mayor
3	Wards
13,352	Electors
11,390	Rateable properties
\$33.5m	Total operating expenditure
\$0.98 billion	Gross regional product
1,335	Local Businesses
8,902	Employed Residents
3,349 tonnes	Household waste recycled
159,985	Library items borrowed
79,666	Website hits
711	Development Applications approved
\$54m	Estimated value of DAs processed





## Message from the Mayor & CEO

We are pleased to present the Rural City of Murray Bridge 2013-14 Annual Report, detailing our progress over the past 12 months.

Council's priorities in 2013-14 were financial management, good governance, strategies for growth, service to our community, and the economic prosperity of the region.

With steady population growth expected to continue for the foreseeable future, it is imperative that we plan for our future sustainability, lifestyle and economic prosperity. We are therefore focusing on improving the region's sustainability and preparing Murray Bridge to become a strong centre for regional employment and productivity whilst enhancing the lifestyle of our residents and attracting visitors to the region.

The Regional Cities Pilot Program, completed in 2013-14, will guide the preparation of our economic development strategies in 2014-15. It will provide the platform for us to work with our community and partners to promote Murray Bridge to attract future investment. Major projects undertaken in the year included commencement of the Stormwater Harvesting and Reuse Scheme, the Revitalisation of Bridge and Sixth Streets plus the completion of Ferries McDonald Road. These key projects will provide the foundations for our future growth.

In 2013-14 we completed our Environmental Management Plan, Roadside Vegetation Management Plan and Open Space and Recreation strategies. These documents along with our asset management plans will now influence Council's future developments, programs and budgets.

We are committed to continue the review of the operations of the Council to ensure it operates efficiently while continuing to deliver frontline services to the community.

As a result, in July, 2013 we commenced work on reviewing our provision of services. This review identified the Council's core services aiming to establish which services could be improved, which services are no longer required, how to deliver services more efficiently and how to best use the Council's resources. The reviews will continue into the future and form the foundation of our aim to continuously improve.

The implementation of an integrated planning and reporting framework continues to be a focus for Council. By adopting the principles of working with the community to set priorities and reporting back on how they are being achieved our forward planning will continue to become far more inclusive and reflective of the community's desires.

The work we are undertaking on a community engagement strategy will also assist us in these endeavours.

These enhancements to our processes will also assist us to develop an organisational culture, which delivers sustainable community outcomes.

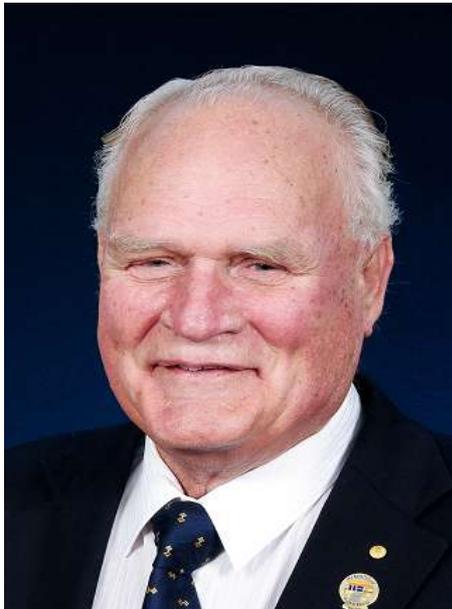
We were very proud to be the recipient of the 2014 LGMA (SA) Leadership & Management Excellence Award – Rural Councils.

This award acknowledges the use of superior management and leadership skills to achieve outstanding benefits for the organisation and for the community. It was awarded as recognition of the development and implementation of our Volunteer Management Plan that assists us to attract, develop and retain volunteers while providing a stimulating, supportive and safe work environment that enables them to maximise their contribution.



Our thanks go to all Council staff, contractors and volunteers for their support and dedication during the past year. We are looking forward to the year ahead and the challenges we will continue to meet to enhance the lifestyle for all of our community.

This is the last Annual Report for this elected body and it is with satisfaction that we look back at the highlights and achievements of 2013-14. While the challenges ahead are significant we are confident of a bright future.



Mayor Alan Arbon OAM



Peter Bond CEO



## Introduction

The Rural City of Murray Bridge is a thriving region located on the banks of the Murray River well placed in terms of its geographic location and just a short drive from Adelaide. Being on the national road network with road and rail access to the eastern states and Adelaide, its proximity to metropolitan Adelaide, connection to the South Eastern Freeway, land affordability, investment opportunities and river connection make the Rural City of Murray Bridge an appealing place to live, work and visit.

As a major agricultural district, the Council area supports irrigated horticulture and dairying along the river as well as cropping and intensive animal keeping throughout the rural areas. Primary and secondary industries are clustered around Murray Bridge and Monarto with the area offering significant opportunity for expansion outside of metropolitan Adelaide.

Murray Bridge is a bustling vibrant regional centre, offering a wide range of facilities and services to the local and regional community including residents of the Murraylands, Adelaide Hills and Fleurieu Peninsula.

The Rural Communities of Callington, Jervois, Wellington, Monarto, Mypolonga, Woodlane, Riverglen, White Sands, Monteith and Woods Point have a unique identity, maintaining their rural character whilst providing diverse housing options and community support services.

The Council area has a rich heritage; situated on the traditional lands of the Ngarrindjeri people and the location of the first bridge to cross the Murray River that was completed in 1879.

The Monarto Zoo is a major tourist attraction and along with water based activities and house boating on the Murray River are the key attractions for locals and visitors to the area.



Photo courtesy: Wayne Smith - Artworks Framing



## Introduction

### Our Vision

The Rural City of Murray Bridge is connected with and working towards the aims and aspirations of its community

### Our Mission

The Rural City of Murray Bridge will provide innovative and effective leadership to facilitate long term community sustainability

### Our Values

As an organisation we will

- be Accountable – effective, equitable, open and honest
- be Respectful – respect and support for the diversity of our ideas and culture
- be Innovative – strong commitment to continuous improvement in all business processes
- be Collaborative – focus on teamwork within our organisation and create external partnerships to achieve our vision
- be Inclusive – value and incorporate local knowledge and viewpoints through effective community engagement
- have Integrity – being open and honest in all our dealings and maintaining the highest ethical standards at all times



## KEY ACHIEVEMENTS 2013-14

### Environment

- Stormwater Management and Reuse Scheme commenced
- Ferries McDonald Road Redevelopment completed
- The Roadside Vegetation Management Plan was endorsed by Council 14 April 2014
- Bridge Street and Sixth Street Revitalisation Design commenced
- The adoption of the Integrated Traffic Management Plan
- Asset Management Plan review continued
- Murray Bridge Town Centre Traffic Plan completed
- Management of Brinkley Road waste transfer station and landfill transferred under lease to the Adelaide Hills Regional Waste Management Authority
- Wharf Hill landscaping

### Social

- Establishment of Murray Mallee Regional Public Health Plan
- Historic timber railway building renovations undertaken by the Murray Bridge & Districts Historical Society
- Successful installation of One Card system for library operations and becoming part of the state-wide materials circulation

### Economic

- Regional Cities Pilot Project
- Monarto Enterprise

### Organisation

- New 99 year interment rights introduced from 1 July 2014 for burials and cremations at our four cemeteries in accordance with Burials and Cremations Act 2013
- Internal Controls assessment
- Initiation of the Service reviews
- network providing access to more than 3.5 million items for the community
- 25 year lease offered to Council by the Department of Planning, Transport and Infrastructure for the Murray Bridge Railway Station building and surrounds following lengthy negotiations with State Government



## Delivering the Strategic Plan 2011-15

The Rural City of Murray Bridge Strategic Plan 2011-15 identifies our strategic priorities. Four goals underpin Council's vision

The Rural City of Murray Bridge is connected with and working towards the aims and aspirations of its community.

### GOAL 1 - ECONOMIC

A developing economic base and increased employment supported by strong urban and rural business enterprises and a growing population.

The performance of our economy continues to be a major driver in maintaining and improving our quality of life. Our economy needs diversity, a high level of employment with quality jobs, tourism growth that does not impact negatively on our lifestyles, infrastructure that supports urban and rural growth, and innovative approaches to attracting and retaining businesses.

Highlights include:

#### Regional Cities Pilot Program

Council's CEO initiated a Regional Cities Pilot Program working party consisting of local Industry representatives, Regional Development Australia Murraylands/Riverland and Primary Industries and Resources SA to develop a scoping report to build on recent key economic development achievements in our area.

The scoping report culminated in the development of a business case to develop a marketing and branding strategy for the Council area. The business case addressed the area's potential for strong employment growth and delivery of a range of services and programs while leveraging maximum economic, social and environmental benefit from regional infrastructure.

#### Monarto Enterprise

Council's CEO and senior staff are continuing to work with the District Council of Mount Barker and other key stakeholders to progress the economic development opportunities for the Monarto area. A master plan is being created by both Councils to ensure an implementable planning framework for employment growth at Monarto South which also addresses environmental and community considerations.

#### Murray River, Lakes & Coorong Tourism

Tourism is one of the most important industries in our economy and it is growing rapidly. It is predicted the number of tourists visiting Australia will double by year 2020. Tourism to the Murray River is predicted to grow 40% by the end of 2020, with the opportunity to increase growth by 68%, by focusing on a holistic action plan that prioritises and addresses simple, focused, consumer-led strategies.



## Delivering the Strategic Plan 2011-15

### GOAL 1 - ECONOMIC

This vision will be achieved by focusing on the following priorities from the South Australian Tourism Plan 2009 – 2014, which will create a significant difference in the growth of the Murray River, Lakes & Coorong tourism industry:

- Improve access to and within the region
- Enhance distribution and build industry capability
- Leverage the attraction of events and festivals
- Develop new and refreshed signature experiences
- Encourage infrastructure development by upgrading and developing special places and spaces
- Better communicate the best of what the core target market wants to buy

Economic Measures		
Measure	Result 2012-13	Result 2013-14
Visitor numbers for the Visitor Information Centre	25,789	19,872
Commercial and Industrial Development applications	80	108
Unemployment Rate	9.7%	10.2%
Workforce	9,396	9,405
Attendance at:		
Pedal Prix	19,800	19,800
Xmas Tree Lighting	3,500	3,500
Christmas Pageant	5,100	5,100



## Delivering the Strategic Plan 2011-15

### GOAL 2 - ENVIRONMENT

A sustainable natural and built environment that meets current and future community needs.

The Rural City of Murray Bridge faces the challenge of balancing urban and rural development, economic growth and protection of the environment. Our natural and built environment supports our economy and our recreational and leisure pursuits.

We need to protect the environment from:

- the negative effects of human activities,
- continue to educate the community and visitors to the region about respecting and appreciating the environment,
- implement effective water and waste water recycling and waste management practices,
- introduce innovative energy efficient practices,
- protect biodiversity and endangered species,
- support nature tourism and respond to climate change impacts.

Highlights include:

#### **Environmental Management Plan**

On 1 July, 2013 Council endorsed its Environmental Management Plan. The Rural City of Murray Bridge recognises that all Council activities have an impact on the environment. The Environmental Management Plan has been developed by the Council to guide the management of its natural resources in a sustainable manner for the period 2013-18.

The Plan is an over-arching strategic document which will be under-pinned by additional specific plans at a later date such as the Integrated Water Management Plan; a Roadside Vegetation Management Plan; a Biodiversity Strategy; a Climate Change Adaptation Strategy and a Tree Management Strategy, thus providing Council with the tools required to move forward in an environmentally sustainable manner.

The five core environmental areas addressed in the plan include;

- Climate Change;
- Water Resources;
- Biodiversity Management;
- Sustainable Development and Waste Management.



## Delivering the Strategic Plan 2011-15

### GOAL 2 - ENVIRONMENT

#### Roadside Vegetation Management Plan

The Rural City of Murray Bridge recognises the value of our Council road reserves. Roadside reserves are often the only remaining areas of remnant native vegetation, some of which have become highly fragmented and isolated. These remnants are highly valued for their biological diversity serving as important wildlife corridors, a seed source for revegetation and areas of species habitat.

The Roadside Vegetation Management Plan was endorsed by Council on 14 April 2014 and has been developed to guide Council in the management of its roadside reserves in a sustainable manner.

The Plan will assist Council work crews and contractors by setting clear policies and guidelines for activities affecting roadside vegetation.

The Plan includes information on management issues such as installation and maintenance of services, roadside maintenance and clearance for fence lines and access to adjoining land.

#### Waste and Recycling

The Rural City of Murray Bridge provides a three bin kerbside collection service, which includes a 240 litre fortnightly recycling collection service, a 240 litre fortnightly green organics collection service and a 140 litre weekly waste collection service for all properties within a township. Properties outside of a township receive a waste and recycling service only. The following table indicates the material collected via the kerbside service on the 2013-2014 financial year.

Waste or recycling stream	2013-2014 (tonnes)
Waste disposed to landfill via kerbside blue bin	4,010
Recyclables collected via the kerbside yellow bin	1,503
Green organics collected via the kerbside green bin	1,846



## Delivering the Strategic Plan 2011-15

### GOAL 2 - ENVIRONMENT

#### Ferries McDonald Road

The Ferries McDonald Road was officially opened by Senator The Hon. Simon Birmingham, Parliamentary Secretary to the Minister for the Environment, Tony Pasin, Member for Barker and Mayor Allan Arbon AOM on Wednesday 23 July 2014. The completion of this project marked a significant day for the Rural City of Murray Bridge.

Ferries McDonald Road forms a strategic major freight link between the Langhorne Creek and Barossa Valley wine regions.

Works commenced on the project at the intersection of Chauncey's Line Road and Ferries McDonald Road on 27 February 2012. Work included two complex intersections and 12.5 kilometres of road. Critical to this project has been the management, protection and preservation of native and remnant vegetation and the local Mallee Fowl population along the route.

The Rural City of Murray Bridge Elected Members and staff would like to express their appreciation to all stakeholders and particularly all Ferries McDonald Road residents for their support and patience over the duration of the project.

A Federally approved Malleefowl Management Plan has been implemented for this project in order to protect the local population. It is designed to minimise the impact that both the construction process and post construction management of the road has on the Malleefowl. The Plan contains strict conditions that must be adhered to.



#### Bridge Street & Sixth Street Design

Council is pleased to announce that it has appointed an urban designer to assist Council in the development of the detailed design plans for the Revitalisation of Bridge and Sixth Street, which is the next phase in realising Council's Town Centre Master Planning.

Specifically, for Bridge Street the project aims to reinforce the connections between the river and the Town Centre, in particular to pull abstract elements of the river up into Bridge Street.

For Sixth Street, the project aims to reinforce the cultural hub of the town, with the Civic Buildings and the Art Gallery being a focus.

The overall goal is to provide an exciting, livable, viable and vibrant destination and centre, activated by people enjoying and using the places and spaces within the streets.



## Delivering the Strategic Plan 2011-15

### GOAL 2 - ENVIRONMENT

The project objectives are:

- Reinforce a focus on the regional Town Centre as a vibrant destination and cultural hub
- Establish the 'Heart' of Murray Bridge at the intersection of Sixth Street and Bridge Street
- Improve visual and pedestrian amenity and activate frontages along Sixth Street and Bridge Street
- Transform Sixth Street into a Public Art Corridor and 'Shared Street' to draw people into the 'Heart'
- Revitalise Bridge Street by reducing road width to create a pedestrian boulevard with alfresco dining, seating nodes and a town square and connections to the green-belt parks, street and river.

Following recent engagement with traders and main street property owners in May and June 2014, Council resolved to develop two options for Bridge Street rather than just one.

The original option examines a layout with two traffic lanes in each direction.

The additional option will examine a layout with one traffic lane in each direction providing greater opportunities for landscaping, outdoor dining, public seating and a more vibrant town centre.

Council will undertake community consultation early in 2014/15 on the revitalisation of Sixth Street.

### Stormwater Management & Reuse Scheme

In 2012 the Rural City of Murray Bridge was pleased to announce that it had received \$7.115 million in Federal funding for its \$14.23 million Murray Bridge Stormwater Harvesting and Reuse Scheme. The Scheme is one of the key initiatives of Council to reduce reliance on the River Murray as the population increases, whilst keeping the city green and economically strong.

The Integrated Stormwater Harvesting and Reuse Scheme encompasses the proposed Gifford Hill residential development, Murray Bridge race course and the Murray Bridge township. The Scheme will collect stormwater from flood mitigation basins within Murray Bridge and transfer it to a site at Gifford Hill for treatment and storage, with future distribution to various locations within Murray Bridge for reuse. The Scheme is estimated to save 375ML per annum of irrigation water by substituting water from the Murray River for urban stormwater.

The Scheme was developed based on the following fundamental principles:

- Reduce Council's reliance on the River Murray for non-potable water applications
- Utilise the existing or proposed flood mitigation infrastructure
- Integrate reuse facilities within the flood mitigation systems already in place without impacting on flood mitigation capacity
- Utilise where possible Council's existing Murray water distribution mains to minimise the distribution infrastructure required



- Provide the ability for Council to improve aesthetics within the Township and improve community facilities through the irrigation of parks, reserves, gardens and ovals.

### **Delivering the Strategic Plan 2011-15**

#### **GOAL 2 - ENVIRONMENT**

- Integrate stormwater reuse facilities of the proposed major subdivision developments within the existing Township

The Murray Bridge Stormwater Management and Reuse Scheme reached an important milestone on 10 June 2014 with an official turning of the sod event at the Gifford Hill Lagoon project site by Senator the Hon. Simon Birmingham.

Construction of this and other sites will continue over the next two years and is expected to be completed in 2016.

#### **Asset Management**

The Rural City of Murray Bridge is committed to implementing a systematic asset management methodology in order to implement appropriate asset management best practices across all areas of Council. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities of service delivery.

#### **Asset Management Plans Review**

The Local Government Act, 1999 S122 (1a)(b) requires Councils to develop and adopt an Infrastructure and Asset Management Plan relating to the management and development of infrastructure and major assets for a period of at least ten years. Asset Management Plans should detail the proposed management, development and required expenditure relating to infrastructure and major assets.

In 2008, as per legislative requirements, Council endorsed its 'Infrastructure and Asset Management Plan' with the following assets and infrastructure categories:

- » Roads;
- » Bridges;
- » Footpaths;
- » Kerbs and Gutters;
- » CWMS and River Infrastructure

These assets were identified as a priority according to risk and available resources.

Council has reassessed the condition rating of all road pavement, footpath and kerbing within the Rural City, which in turn has been uploaded into Council's new asset management software 'Assetic' enabling a highly accurate analysis to be performed.



## Delivering the Strategic Plan 2011-15

### GOAL 2 - ENVIRONMENT

This will inform the review of Council's Infrastructure and Asset Management Plan. The review will also allow the Plans to incorporate the Council's adopted strategies and initiatives in recent years.

#### Integrated Water Management Plan

The Rural City of Murray Bridge is committed to the responsible stewardship of natural resources, ensuring that water resources are protected and use of alternative (sustainable) water resources is maximised.

Integrated Water Management is defined as providing the most sustainable mix of water solutions for the community through the consideration and incorporation of all water sources including potable (mains) water, rain, groundwater and the reuse of stormwater and wastewater.

The objective of the new IWMP is to provide for the sustainable, resilient development of Murray Bridge and the surrounding towns of Callington, Mypolonga, Wellington and Jervois through the identification of 'fit for purpose' water supplies, considering the pressures of reduced water availability and development. Increasing the diversification of water sources is a key strategy, to be achieved through increasing the reuse of stormwater, treated wastewater and rainwater.

A range of water management actions were investigated and recommended for Murray Bridge and the surrounding towns of Callington, Mypolonga, Wellington and Jervois. A detailed Action Plan for each township has been developed which breaks the actions down into smaller components and identifies priorities, responsibilities, and links to relevant goals, benefits and outputs.

The Integrated Water Management Plan was endorsed by Council on 29 July 2013.

Murray Bridge Integrated Transport and Traffic Management Plan (2012) and Review of Rural City of Murray Bridge Bicycle Plan (2012)

The Murray Bridge Integrated Transport and Traffic Management Plan outlines at a strategic level the future network requirements for general traffic management, public transport activities, heavy vehicle networks and cycling and walking provisions. It forms a response to the forecasted future growth of Murray Bridge, which is articulated in the Murray Bridge Structure Plan.

The future road network seeks to:

- establish a defined network for movement of all modes of transport within the township
- support sustainable development and reduce vehicle reliance
- reduce the impact of heavy vehicles through the township, while recognising the valuable role of heavy transport connections within and beyond the region.



## Delivering the Strategic Plan 2011-15

### GOAL 2 - ENVIRONMENT

#### Current Development Plan Amendments & studies

A Development Plan Amendment (DPA) is the statutory process that the Council must follow in order to make changes to its Development Plan. The Development Plan is a statutory document which provides guidance on how and where development should occur within the Council area. In order to make these changes, the Council is required to undertake significant research to inform any proposed changes. Currently the Council is working on the following DPA's and studies.

#### Regional Town Centre Expansion DPA

This proposed change to the Development Plan is based upon findings from the Town Centre Masterplan - a study that the Council undertook in 2012 to determine where and how development should occur within the Town Centre of Murray Bridge. This DPA is seeking to expand the current Regional Town Centre Zone to allow for more commercial, retail and mixed use development within the Central Business District. It aims to increase the zone boundaries to include areas to the north and south of the existing zone, incorporate land currently zoned Light Industry (Ridley's Mill) and extend along Adelaide Road. The expansion of this zone is considered to bring economic benefits to the Council area and to allow for the significant growth predicted in both the Council's Structure Plan and the State Government's 30 Year Plan for Greater Adelaide.

#### Swanport DPA

The Council is currently investigating the potential to rezone land utilised by Swanport Harvest for its lettuce growing business. Business growth is hampered by existing development around the site making it unworkable to expand. Business owners have identified another suitable site in Mypolonga and in order to finance the move to the new site, are seeking to have the current site rezoned. It is expected that this DPA will bring economic benefits to the area through the retention of the existing employment base and growth in employment numbers when the business relocates to Mypolonga.

#### Residential Growth Areas Strategic Investigations

The Council's recently endorsed Murray Bridge Structure Plan identified the need for additional residential zoned land. These areas of land (principally contiguous to the current residential zoned land), are considered to be the logical areas for residential growth. However, before they can be rezoned, significant investigations must occur to determine how the Council will manage any future development including issues such as infrastructure provision and whether or not there is actually a demand for such development. The areas being investigated include land zoned Deferred Urban along Bremer Road and land currently zoned both Country Living and Rural Living between Old Swanport Road and Adelaide Road. Additional to this, land along Hume Reserve Road is also being examined. Depending upon the outcomes of these investigations, there is the potential for a DPA to be commenced.



## Delivering the Strategic Plan 2011-15

### GOAL 2 - ENVIRONMENT

#### Monarto South Enterprise Precinct Master Plan

The Council is also reviewing the potential to rezone land at Monarto and will be undertaking a Master Plan to determine the appropriateness of this. Investigations include additional employment opportunities and the possibility of an intermodal hub, the expansion of the existing Light Industry Zone all whilst ensuring that the environmental and tourism assets associated with this area (such as the Monarto Zoo) are both protected and enhanced.

#### Development Applications

A total of 711 development applications were received for planning consent and development approval given in accordance with provisions of the Development Act 1993.

In terms of buildings by classification, the above development applications included the following breakdown:

#### Building Classification Number

Class 1a & 1b (dwellings, additions and B&B's)	261
Class 2 – 9 (shops, offices, farm buildings etc)	49
Class 10a and 10b (domestic outbuildings, pools etc)	323

In total this represents development worth \$53,995,026 being undertaken in the Rural City of Murray Bridge.

Council's Development Officers carried out approximately 600 onsite inspections during this period.

#### Building Rules Assessment

No prescribed development, including building work, can be undertaken in South Australia without an appropriate development approval being obtained from the relevant authority after an application and assessment process. In most cases the relevant authority is the local Council.

Council is now legally obliged to undertake mandatory building audit inspections of new building work in accordance with the Councils Building Inspection Policy.

During 2013-14 the Council was successful in achieving a negotiated settlement agreement with a builder as a result of multiple breaches of the Development Act 1993 and Regulations 2008. A further 15 expiations for non-compliance with the Development Act 1993 and Regulations 2008 were also issued to owners and builders for breaches such as commencement of development without notification or appropriate development authorisation.

The Council's authorised officers are constantly involved in investigating non-compliance issues ranging from illegal development, roof/wall frame inspections, swimming pool inspection, stormwater complaints and un-approved structures on the Councils riverfront reserves.



## Delivering the Strategic Plan 2011-15

### GOAL 2 - ENVIRONMENT

#### Building Fire Safety Committee

Council's Building Fire Safety Committee is charged with the responsibility for all matters arising under Section 71 of the Development Act 1993 (i.e. to ensure adequate fire safety of a public building). The committee comprises appointed fire safety experts from the Metropolitan Fire Service, Country Fire Service and Council's Building

Priority inspections are carried out on buildings that are considered to pose a high fire safety risk, including those that provide overnight accommodation for unrelated persons and buildings where large crowds congregate.

Section 71 requires Council's Building Fire Safety Committee to:

- Audit buildings identified by the Committee as having inadequate fire safety provisions
- Identify fire safety provisions that need upgrading
- Resolve defects via negotiation of cost effective solutions, written letters, Fire Safety Notices or legal enforcement proceedings (as appropriate)
- Ensuring potential building owners are advised of current (or revoked) Fire Safety Notices via Section 7 searches (i.e. when property is up for sale)

The Committee continues to work through commercial premises within the Rural City of Murray Bridge to ensure public safety and during the past 12 months has held 4 meetings and undertaken 16 site inspections on premises, including hotels, commercial premises, shops etc. which had fire safety concerns, several of which have been successfully resolved, with most of the others well on the way to resolution.

The Building Fire Safety Committee issued 3 building fire safety notices for this period.

#### Regulatory Compliance

The Council has currently three authorised officers that are involved in the day to day Management of dogs along with other regulatory responsibilities within the Rural City of Murray Bridge.

Authorised officers are responsible for the following:

- Dog Management
- Parking enforcement
- Bushfire Prevention
- Litter control
- Abandoned vehicles
- Council's By-Laws



## Delivering the Strategic Plan 2011-15

### GOAL 2 - ENVIRONMENT

#### Dog Management

Approximately 4,700 dogs were registered for the 2013-14 financial year.

During this period Council's officers investigated 83 dog barking complaints, 24 harassment and attacks by dogs on humans and animals and impounded 344 dogs.

The Council promotes responsible dog ownership.

#### Parking enforcement

The Council's authorised officers continue to monitor and enforce parking requirements with particular attention given to illegal parking in school zones and bike lanes.

#### Bushfire Fire Prevention

In the lead up to the Fire Danger Season 2013-14, 499 notices were issued on properties that required flammable growth to be reduced under Section 105F of the Fire and Emergency Services Act 2005. Of these 87 properties remained non-compliant on a follow up inspection and were subsequently issued expiations.

The Council also employed contractors to reduce the flammable growth on some of these properties and instigate proceedings where possible to recover the costs in accordance with the Local Government Act 1999.

The Council has in place an Application for a Review of a Fire Expiation Notice process for those that feel aggrieved after receiving an expiation notice. Applications are dealt with on a case by case basis taking into consideration the overall circumstances of the offence.

#### Environmental Measures

Measure	Results 2012-13	Results 2013-14
Length of roads upgraded or renewed		
Resheeting	19.5 km	17 km
Resealing	11.5 km	13 km
Tonnes of household waste recycled	1560 tonnes	3349 tonnes
Number of trees planted	500	450
Development Applications approved	560	771



## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

A healthy and safe community enjoying a high quality of life together with vibrant and connected communities celebrating diversity and heritage through recreation, sport, arts and culture.

Our social wellbeing and quality of life is dominated by issues of health, education, housing and law and order. State Government continues to be the main provider of these services in the region and it is important that Council work in partnerships to achieve desired community outcomes.

Our rich cultural heritage makes us a unique and diverse group of people. Our cultural and heritage sites, leisure and recreational opportunities contribute to a rich and vibrant community.

We will continue to celebrate our local successes in innovative ways including the proactive use of media, local publications and providing events that are easy to access, low-cost and family friendly, providing opportunities for our youth and mature aged residents and guests that continue to foster and promote a spirit of community.

Highlights include:

#### Community Care Programs

The Community Care programs administered from the Rural City of Murray Bridge provide services that broadly target frail and at risk aged persons or younger disabled adults with moderate to severe disabilities who without the assistance of these programs would be at risk of entering residential care prematurely.

The programs are provided through a partnership between Council and Commonwealth and State Governments. Council is one of a number of service providers in our region who each have specified roles and target groups. This year has seen the Commonwealth take over direct responsibilities for the total aged (over 65) target group while the State retains the younger disabled (under 65) target group.

Council has two distinct program areas being:

- Home and Community Care (HACC) consisting of domestic assistance, social support (including a Men's Group for older men who live alone and a Ladies Group who live alone), home maintenance and modifications and transport (local and to the Adelaide Hills and Strathalbyn)
- National Respite for Carers which includes respite for carers and social support

The Home and Community Care (HACC) program is a Commonwealth and State funded program which aims to provide a wide range of services to frail aged (92%) and younger disabled people (8%).



## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

The National Respite for Carers (NRCP) program is a Commonwealth funded program which focuses on providing in-home respite for those who act as carers of the aged or disabled.

Council contributes significantly to the programs through direct funding and in-kind assistance.

Council employs one full time and two part time coordinators who manage the program on a day to day basis along with one part time administration assistant.

There were 1,167, (427 male and 740 female) active clients registered with Council's Community Care programs at the end of the reporting period with some clients using the service more regularly than others.

- » Twenty six self-employed contractors provide in-home services and home maintenance and modification services and meet with the coordinators regularly as a group to discuss general client and service delivery related issues.
- » Twenty volunteers support the program transporting clients locally, to the Adelaide Hills and assisting with social support programs.

Volunteers are reimbursed for out of pocket expenses. Two popular programs largely reliant on assistance from volunteers are the Men of the Barbie men's social support group and the Leisure, Lunch and Laughter ladies social support group.

This year 5,401 hours of service were delivered across the program areas described as well as 3,352 transport trips (excluding co-ordinators time).

In March 2014 the program successfully participated in a Quality Audit under the new Home Care Standards and the final report identified the program and all services met requirements against 18 standards.

A comprehensive package of reforms has been introduced by the Federal Government seeking to build a better, fairer, more sustainable and nationally consistent aged care system which was introduced on 1st July 2014. The Living Longer Living Better Aged Care Reform Package represents the commencement of a 10 year reform program to create a flexible and seamless system that provides older Australians with more choice, control and easier access to a full range of services. It also positions the Department of Social Services to meet the social and economic challenge of the nation's ageing population. The Community Care Program is working closely with the Department to implement these changes into the program with minimal alterations and changes to the service provision that is currently offered by Council.

There are a number of reforms that are currently being rolled out since the announcement of the Living Longer Living Better initiative.



## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

#### Murray Mallee Ageing Taskforce (MMAT)

The MMAT is made up of over thirty organisations across the Murray Mallee and meets bi-monthly to discuss issues of common interest, advocate for the region and provide regional planning and grant coordination in relation to aged and disability services. An Executive Committee elected by members of the full MMAT meets monthly and supervises the work of the Project Officer.

The Rural City of Murray Bridge provides administrative support, office space, phones, meeting room space and manages the project finances and provides day-to-day guidance and direction to the Project Officer.

#### Aboriginal Programs and Activities

Council coordinates, contributes, supports and attends a wide variety of Aboriginal events in Murray Bridge.

Murray Bridge hosted a second Deadly Fun Run Series which is a national program attached to Rob De Castella's Indigenous Marathon Project. Locally this is having a very positive impact on the Aboriginal community with local participants regularly running and walking. Our series winners travelled to Uluru again and came third in the Community Championship.

Reconciliation Week attracted a number of events involving Council. Lunchtime short films at the Murray Bridge Regional Gallery enticed a variety of community members to experience documentaries about Aboriginal people and their stories. A morning tea for Local Elders and Council Elected Members held at Council offered a consultation opportunity on a casual basis.

Ninkowar, Aboriginal Cultural and Conference Centre is still growing and developing run by a group of committed, passionate, enthusiastic Ngarrindjeri women. The space houses a gallery, conference and meeting rooms for group use. Council offers much support to assist this development working closely with Ninkowar to encourage the centre's future sustainability.

NAIDOC week is celebrated in Murray Bridge with Council hosting the Bridge Walk, flag raising, award ceremony and morning tea at the Local Government Centre. This is a major event on the local NAIDOC week calendar and is a positive community event that attracts over 300 people.





## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

#### PaCE

The PaCE (Parental & Community Engagement) has been running since early 2010. The aim of the program is to engage parents, carers of Aboriginal children and community in our schools. This has been achieved by running several different programs and projects within Murray Bridge schools.

Some of these projects include engaging parents through Aboriginal Football and Netball Carnivals, Cultural Day Experience, Silk Screening, Book Making, Coffee Clubs, Just too Deadly Awards, Aboriginal Health Fair Day, PaCE Steering Group Meetings, School and Community Partnership Agreements, Parent Catch Up Groups, Cultural Arts and Craft and Canvas Painting projects.

Book making has been one of the most popular programs where parents, carers and community members were able to create their very own books for their children in English and Ngarrindjeri Aboriginal language. This project has been so successful that it is now promoted as an example for other regions by the funder (Department of Prime Minister and Cabinet).

#### Anti-Racism Campaign

In 2011, the Australian Government committed to develop and implement a National Anti-Racism Strategy for Australia focusing on awareness.

Council has actively joined a number of councils in supporting this campaign. To date, Council has placed a statement of support on the website and support posters at all Council sites. An approved campaign statement is also included in speeches by the Mayor at community events as Murray Bridge is a culturally diverse community and it is imperative that all opportunities are taken to celebrate this in a positive way.

#### Careers Expo

The Community Development team took over planning of the Council stall at the 2014 Murraylands Career's Expo event. This year Rural City of Murray Bridge joined forces with Mid Murray, Southern Mallee and Karoonda East Murray Councils to create a site. The stall idea that was decided upon by the partners was a show ride. This was incredibly appropriate as the event took place at the Murray Bridge Show grounds. The line ups offered staff the opportunity to chat with more students than in previous years. The Council collaboration worked together to create an interactive space. It is more economically efficient to draw on the strengths from each Council to bring together a united team instead of competing for the same space in the market. This also supports the current advertising campaign promoting local government as a whole.



## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

#### Outdoor Table Tennis Table

RCMB secured a grant from the Department of Immigration and Citizenship for the Murray Bridge Community.

The passion for table tennis highlighted by the local Chinese community, resulted in an outdoor table tennis table becoming a welcome addition to the local Murray Bridge community not only for Chinese members but the community in general. The table has been decorated tastefully with Chinese art and is the perfect opportunity for group physical activity and fun. The successful project was completed with the assistance of the Murraylands Migrant Resource Centre and Rotary Club of Murray Bridge.



*Outdoor Table Tennis*



*All Culture Festival*

#### Murray Bridge All Culture Fest

Many different cultures came together to celebrate Refugee Week at the Murray Bridge All Culture Fest in June at the Murray Bridge Town Hall. The event was a collaboration between ac.care, Murraylands Migrant Resource Centre and Council. Many new and old neighbours attended helping create a comfortable, inviting space for people to celebrate and mingle. Performances by Filipino dancers, local Ngarrindjeri performer Jordan Sumner and members of the local Congolese Community entertained the audience. Two short films from the Colourfest film festival also featured along with children's activities provided by Communities for Children in the Murray Bridge Regional Gallery.



## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

#### International Day of People with Disability

The Rural City of Murray Bridge in conjunction with OPAL Murray Bridge and Starclub held a successful 'Physical Activity Showcase' celebrating the 21st Anniversary of the International Day of People with Disability. The event was held at Sturt Reserve by the Murray River at Murray Bridge in November 2013.

Approximately 300 people participated and enjoyed adaptive rowing, croquet, sailability, soccer, Milo into cricket, active play activities, face painting, bubbles and balloons. The day highlighted the innovative solutions of participating sports and activities.



#### Suicide Prevention Network

A very successful Suicide Prevention Network has been established this year bringing together a wide variety of members across the community, business, industry and government. The aim was to develop a local action plan for suicide prevention which will link with the Rural City of Murray Bridge Strategic Plan and the South Australian Suicide Prevention Strategy.

#### Section 41 Community Advisory Committee – Community Development

Six community representatives have been appointed to the Community Development Section 41 Community Advisory Committee which will broadly cover the following areas:

- Grant funding – community grants, donations
- Arts – promotion
- History – preservation and promotion
- Multiculturalism – services required
- Sport and Recreation – facilities sharing; future Sport and Recreation Grant Scheme
- Tourism – promotion
- Youth – activities and services required
- Community safety



## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

- Social inclusion
- Street Naming (in accordance with Council Policy)

The Committee has just been endorsed by Council and when it meets for its first meeting will draft its Terms of Reference for Council consideration.

#### Arts & Cultural Small Wins Action Group

The Arts and Cultural Small Wins Action group made up of 30 community leaders has been very successful with 35 wins achieved and 14 active projects underway. Only a very small number of applications have been rejected by Council. The group meets regularly to discuss and work on progressing new and active projects.

Projects of note include the historic timber Railway Building Renovation Project, several Town Hall Community Events, Railway Station Signage, SALA, RX 160 Loco Report, Farmers Market Train Carriage Project, Outdoor Table Tennis Table and the Homburg Park Art Project.

#### Community Grants

Council provided \$81,000 to local community organisations through the Community Grants Program aimed at supporting innovative projects and events, which contribute to the empowerment and development of community projects. In 2013-14 sixty two community grants were received which is a slight increase on last year, requesting a total of \$153,361 (Refer to graph below). A variety of projects were funded in the areas of youth, sport and recreation, environment, seniors, general community, accessibility, mental health and visual/performing arts and culture (including community events).

#### Community Safety

The Rural City of Murray Bridge is committed to increasing the level of community safety in collaboration with key stakeholders and this year implemented the Community Safety Plan which consists of a range of strategies, programs and projects including the following.

- Your Home Your Castle (free home safety auditing service to the community)
- Neighbourhood Watch (plate safe day) – secure your number plates to your vehicle for free
- Domestic Violence Awareness Program including White Ribbon Day and Domestic Violence Vigils held at the Local Government Centre to increase awareness of domestic and family violence issues and deaths in SA
- Data Dots are subsidised by Council at a cost to the community of \$10
- Personal Alarms available from Council at a cost of \$11
- Immobiliser Program – car immobilisers are available from Council at no cost fitted at the client's expense.
- Homelessness – Council collaborates with ac.care to host an annual Homelessness event
- Community Engagement, Education and Awareness Programs are ongoing



## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

- Graffiti Removal Service – in the last financial year Council volunteers removed 240 tags which has reduced when compared to last year where 470 tags were removed.
- 
- Council co-ordinates the local Liquor Accord Group which oversees the Dry Zones and Alcohol Management Plan.
- Zsolt Telkesi Youth Grants for disengaged youth were distributed to the Rotary 'Going Bush' Program and Operation Flinders.

### Town Hall Activities

The Town Hall has played host to a wide variety of activities over the year, from an Inauguration Ceremony for the new Anglican bishop in December to a South Australian Living Artists exhibition in the foyer and the Murray Mallee Regional Schools Choir Festival in October.

The Murray Bridge Players and Singers presented two successful productions: L'il Abner and West Side Story attracting a total of more than 2,000 people.

The monthly morning Matinee Series continues to be popular, with audiences steadily increasing. The partnership with Out of the Square Inc, ensures a wide range of quality performers are engaged and audiences know they are in for a treat each time. Other performances held throughout the year included an Abba Gold cabaret show, the comedies Heath Franklin's Chopper Show and Three Stuffed Mums as well as eight children's performances held during school holidays.

Other activities in the Town Hall included events such as the Christmas Tree Festival and the International Women's Day celebration, a wedding, a memorial service and a number of industry conferences and meetings.

The Town Hall is used for many Council events including public meetings, program launches, conferences and the annual volunteer Christmas party. The facility is also booked regularly by a number of community groups including the Town Hall Troupers for their dance lessons, the Town Band for their concerts, the Murray Bridge High School for their music exams, the Calisthenics Club for their two performances each year and the two local high schools for their formals.

### Murray Bridge Regional Gallery

The Gallery presented a wide range of exhibitions during the year, showing works by established, emerging and local artists as well as artworks from state collections and touring exhibitions.

One of the highlights was Still Life Salon, an exhibition that included eight still life artworks from the collection of the Art Gallery of South Australia. These were accompanied by 76 still life artworks produced by 35 local artists.



## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

The gallery seeks to have a balance of exhibitions: of local, regional and metropolitan artists, (emerging and established) and to partner with other cultural institutions to bring artworks of high calibre to our community. Throughout this year 55 artists from the Murraylands exhibited in the gallery with a further 20 artists from regional South Australia. As well as borrowing works from the

Art Gallery of South Australia the gallery showed a collection of drawings from the collection of the Nora Heysen Foundation and a range of hand printed and dyed textiles from the Chinese Embassy in Canberra.

The gallery is sought after as a high quality exhibition space by established artists. During the year the Gallery hosted exhibitions by lecturers from the Adelaide Central School of Art, T'Arts Textile and Arts Collective, a touring exhibition of artists from the Eyre Peninsula and a number of exhibitions of established artists from South Australia and beyond.

The Gallery's workshop program has offered our community the opportunity to gain a wide range of skills including the ever popular Drawing for the Terrified classes, feltmaking, life drawing, oil painting, still life painting, portrait painting and photography. Children's classes, held by ac.care were presented during the school holidays.

The Gallery's shop has continued to showcase a wide range of quality, contemporary craft items made by over 100 local, South Australian and interstate artists.

Customer feedback and sales indicate that customers appreciate the opportunity to purchase quality hand made products as a gift or as a souvenir of their visit to Murray Bridge. Stock in the shop is continually updated and the Artist of the Month program showcases a different artist each month in the front window.

The inaugural Sixth St Handmade artist market was held in November, with over 30 artists setting up their stalls in Sixth St. The market was an opportunity for community members to meet artists and see the range of wares they had available, which ranged from paintings and photography to jewellery, glass, ceramics, printmaking and textiles.

#### **OPAL (Obesity Prevention and Lifestyle program)**

OPAL commenced at the Rural City of Murray Bridge in September 2011. OPAL's aim is to improve the eating and activity patterns of children through working with families and the whole community. An audit of current services and programs, contact database and a descriptive community profile have all been completed and have informed the OPAL Local Plan. Ongoing consultation with the community will form the basis of the plan and will continue to further advance this plan. Key areas from initial consultations have been identified and will be further explored in upcoming consultations.

A revised local plan for 2013-2014 has been derived based on the most recent community consultation and is in the process of being implemented. This local plan includes new activities relating to the "Healthy Breakfast" theme. The Internal Council Steering Group and Local Advisory Committee will also be key to advising and reviewing this plan. A draft strategic plan has been devised that aligns OPAL's aims and goals within Council's Strategic Plan, and will be refined in consultation with the Internal Council Steering Group.



## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

There has been an increase in healthy eating and physical activity initiatives in Murray Bridge since OPAL's commencement. OPAL has supported these initiatives by offering funding, other resources and links to other stakeholders that could offer support. Supporting local people and organisations to coordinate and run programs themselves has led to evolving programs that change in response to needs understood by the organisations that specialise in those areas.

When OPAL commenced the initial audit showed 35 healthy eating and physical activities in Murray Bridge. Since OPAL has been active in the community, this number has increased to 145 local initiatives, which is 110 more than before OPAL had commenced (refer to Table 1).

OPAL Murray Bridge has been part of the collective effort in the region including OPAL Mid-Murray, Healthy Murraylands, Starclub Field Officer (formerly Be Active), Eat Well Be Active Health Promotion Officer at Murray Mallee Community Health and more recently OPAL Coorong.

OPAL regularly attends and provides input to sector meetings including the Youth Sector Network, Aboriginal Youth and Family Network, NAIDOC Week Committee, Children's and Families Network and Communities for Children Advisory Committee meetings.

OPAL has been involved in supporting many projects in conjunction with numerous stakeholders. Examples of these include the Murray Bridge Fun Run, Rock the Pool, NAIDOC Week and Healthy Living in the Murraylands newsletter.

OPAL has engaged a total of 61 stakeholder groups across a wide range of areas including Local Government, Child Care Providers, Education, Recreation and Sport, Transport, Health, Welfare and Social Services, Youth, Media, non-Government organisations and community members.

### Public Health 2013-2014

In mid-2013 the new South Australian Public Health Act 2011 was fully implemented. The Act replaces the former Public and Environmental Health Act 1987 and broadens the scope of public health responsibilities for councils in South Australia. The Act prescribes a council as the local public health authority for its area.

The following functions are conferred on a council by the Act;

- to take action to preserve, protect and promote public health within its area;
- to cooperate with other authorities involved in the administration of this Act;
- to ensure that adequate sanitation measures are in place in its area;
- insofar as is reasonably practicable, to have adequate measures in place within its area to ensure that activities do not adversely affect public health;
- to identify risks to public health within its area;
- as necessary, to ensure that remedial action is taken to reduce or eliminate adverse impacts or risks to public health;
- 
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## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

- to assess activities and development, or proposed activities or development, within its area in order to determine and respond to public health impacts (or potential public health impacts);
- to provide, or support the provision of, educational information about public health and to provide or support activities within its area to preserve, protect or promote public health;
- such other functions assigned to the council by this Act.
- In addition to its other functions, a council must provide, or support the provision of, immunisation programs for the protection of public health within its area.

The new Act requires Councils to prepare a "Regional Public Health Plan" and encourages Councils to collaborate in preparing a plan. The Rural City of Murray Bridge has worked together with member Councils of the Murray & Mallee Local Government Association (MMLGA) to prepare a Regional Public Health Plan that was finalised and endorsed by the MMLGA and all member Councils early in 2014. Public Health plans are required under the new Act to identify and address public health issues across the region. The plan identifies priority issues and encourages the establishment of formal partnerships with public sector agencies, community organisations and local businesses to share initiatives and responsibilities for public health.

The MMLGA Regional Public Health Plan was the first to be finalised and endorsed in South Australia.

### Key Health Protection Activities

Immunisations	A total of 1,680 vaccinations were provided as part of the school immunisation program and community clinics (2012-13 - 1,727) A total of 202 vaccinations were provided at monthly Community clinics held at the Library
Food Safety	132 inspections of food businesses were carried out (2012-13 - 126) 4 Improvement Notices were issued (2012-13 - 6) 2 x \$2,500 Expiation Notices issued for breaches of the Food Act 2001 (2012-13 - 2) 2 TAFE Accredited food safety training sessions conducted (2012-13 - 3)
Wastewater	73 Onsite wastewater applications processed (2012-13 - 83) Community Wastewater Management Systems (CWMS) – work is continuing on identifying solutions for improving the management of wastewater in environmentally sensitive areas
Safety of drinking water supplies	Routine sampling of water for microbiological analysis in accordance with the Safe Drinking Water Act 2011
Legionella	Management of annual registration and audits of 33 high risk manufactured water systems (Cooling towers in industrial and commercial applications and warm water systems in aged care) as required under the Public Health Act (Legionella) Regulations (2012-13 - 33)



## Delivering the Strategic Plan 2011-15

### GOAL 3 - SOCIAL

Measure	Results	
	2012-13	2013-14
Number of volunteers that assisted Council in areas such as the Visitor Information Centre, Library, Events, Town Hall and Regional Gallery	255	266
Partnerships and alliances including PaCE, OPAL, STARCLUB Field Officer and Healthy Murrayland	5	5
Number of active borrowers	4,507	5,482
Items were borrowed from the library	152,998	159,985
Number of new members enrolled		2,318
Number of people to come into the library		57,667
Number of events		234
Number of youth events including Rock the Pool, Youth Week, Battle of the Bands and Music Drop In	25	9
Number of people at the swimming centre	37,203	40,469
Exhibitions in the Gallery (Artists from the Murraylands and 20 artists from regionals SA exhibited at the Gallery. There were 5 national and international exhibitions)	18	55
Active clients registered with Council's Community Care programs	413 Male 720 Female	427 Male 740 Female
Community Grants approved	59 providing \$81k to community groups	61 providing \$81k to community groups



## Delivering the Strategic Plan 2011-15

### GOAL 4 - ORGANISATION

Through leadership and community engagement the Council aims to ensure the effective use of our physical, financial and human resources.

#### Service Reviews and Efficiency Measures

Our work continues to focus on the provision of services to our community, the implementation of initiatives and the improvements of our systems to ensure the Council operates in an efficient and sustainable manner.

In 2013-14 we have continued to improve our financial management, planning and governance frameworks by reviewing our financial management framework and related policies, procedures and guidelines.

For example Council has:

- Commenced a Service Review Process to deliver a long term financially sustainable future that ensures value for money for our community and aimed at identifying opportunities for:
  - Service and activity improvements
  - Cost savings and income generation
  - Service level optimisation
  - Alternative models of service delivery
  - Improved efficiency and resource usage

We initially identified discrete services on the basis that services that exist to serve internal customers, such as performance, record and rates management and two services that provide direct outputs for external customers – dog re-registration and the administration of Section 7 property searches. One review has been completed and is in the implementation phase with the others scheduled to be completed early in 2014-15.

- Adopting new policies for rate rebates and asset accounting and process reviews that have been initiated into several areas of financial management including rates, procurement, management reporting and asset accounting. We are working towards ensuring that accurate, transparent, complete and efficient processes and procedures are in place. There was also an assessment and draft action plan of financial internal controls performed in preparation for future audit requirements. Currently these reviews and action plans are expected to be implemented in 2015.
- There has been a steady increase in the number of pre-qualified contractors and consultants during the year. This ensures compliance with new Work Health Safety legislation, insurances and licencing requirements. By being pre-qualified the contractor or consultant is awarded an ID Number which can be referenced on all tenders and quotes so that they only have to focus on quoting for the work itself. This reduces administration time for both the contractors and the Council.

Two-thirds (67%) of all Pre Qualified Contractors are local as at 30 June 2014.



## Delivering the Strategic Plan 2011-15

### GOAL 4 - ORGANISATION

- Continuing to develop the Procurement Roadmap, facilitated by the LGA across the SA local government sector. This has highlighted the cost of processing high numbers of low value invoices. Over the past year the Council has worked with suppliers to provide one consolidated invoice which has reduced the number of transactions and lowered the administration time spent on checking, approving and paying invoices.
- Developing a Performance Management Framework
- Building our capacity to respond to external funding opportunities
- Continuing to improve systems and processes in relation to planning, managing and reporting on our assets.
- Developing a governance framework.

### LGMA (SA) 2014 Leadership Excellence Awards

On Friday 11 April 2014 the LGMA (SA) announced that the Rural City of Murray Bridge's Volunteer Management Team was the recipient of the 2014 LGMA (SA) Leadership & Management Excellence Award – Rural Councils

This award acknowledges the use of superior management and leadership skills to achieve outstanding benefits for the organisation and for the community and was awarded as recognition of the development and implementation of a Volunteer Management Plan to assist the Rural City to attract, develop and retain volunteers while providing a stimulating, supportive and safe work environment that enables them to maximise their contribution.

Through the development of a Volunteer Management Plan the RCMB has ensured good volunteer management, training which is central to attracting and engaging volunteers, volunteer satisfaction, customer satisfaction, successful recruitment, retention and recognition of volunteers, credibility to the RCMB and less exposure to risk.

Our volunteer management practices are supported by strong planning, up-to-date and effective information, tools and resources and staff with the right knowledge and skills.



*After receiving the award (from left); Kellie Jaensch (Tourism Development Officer), Glenn Dean (Environment Officer), Ngareta Cronin (Volunteer Coordinator), Helen Elix (Lifestyle Coordinator), Martin Smallridge (HR Manager), Bengy Paolo PIRSA Representative (Sponsor of the Award) and Peter Bond (RCMB CEO).*



## Delivering the Strategic Plan 2011-15

### GOAL 4 - ORGANISATION

#### Youth Development

We recognise the vibrant youth of our community and take seriously the important role we can plan to ensure the improvement of their health, safety and well-being.

#### The Youth Action Plan

The first RCMB Youth Action Plan was adopted by Council in 2013 which identifies Council's commitment to youth in the region. The plan is used as a blueprint to guide Council's involvement in priority youth issues and concerns. It is a strategic document providing Council with a clear direction and set of actions for the development of youth and youth related services within the Rural City of Murray Bridge. The Youth Action Plan is on Council's website.

Some of the actions from the plan that are currently being implemented include:

- Run music programs that target all young people that are accessible, inclusive and equitable
- Run and support events during National Youth Week
- Support Headspace to educate and breakdown the stigma of mental health
- Coordinate with schools regarding facilitating SACE and VET accredited courses
- Support work experience students to gain quality experience in a workplace environment
- Facilitate, support and implement the Murraylands Youth Get Involved Network (MYGEN)
- Support and encourage young people to run youth events
- Support services that focus on Aboriginal young people
- Redevelop The Station Youth Centre space to make it more inviting to young people and families

#### The Station

Council continues to provide 'The Station' as a youth hub in Murray Bridge. This facility is available for young people as well as youth service providers. It is a great space and provides the venue for many youth events and activities all year round.

The Station caters for young people aged 12 – 25 years. It is a great place to meet other young people and enjoy what The Station has to offer. The Station has computers with free internet access for young people, air hockey and a pool table. There are also spaces for young people to meet others with couches and space to chat and catch up. We have a fully equipped band rehearsal room where bands can book some time on a Wednesday afternoon.

The Station also caters for youth service providers to use the building to deliver their programs. Council works very closely with youth service providers in the community to deliver many events throughout the year.



## Delivering the Strategic Plan 2011-15

### GOAL 4 - ORGANISATION

This year The Station has had many improvements. There is a new 3 meter screen and projector, air conditioning has been installed in the main auditorium, a new sink and stove has been installed to increase our capacity for catering at events and a 60" TV was donated for our group room.

The Station is also home to Headspace Murray Bridge. Here young people aged between 12 and 25 can access a range of services including no cost medical services and help from experts in a range of areas including relationships, anxiety, depression and mental health to name a few.

### Youth Development

#### MYGEN

The Murraylands Youth Get Engaged Network (MYGEN) allows young people 12 to 25 years of age to get involved in their community. It is an opportunity for young people to share ideas and opinions about issues relevant to young people, raise awareness of issues that affect young people, work as a team to deliver events, engage with other relevant organisations and increase a positive image of young people to the wider community.

The network comprises up to 15 youth, Elected Members, Council's Youth Development Officer and Headspace's Youth Worker. Meetings are held on the first Monday of each month and there is an end of year celebration.

### Events

Some youth events and programs that were provided by Council and MYGEN include:

- National Youth Week events:
  - Battle of the Bands
  - Skate Park Competition
  - Local Area Network (LAN) computer gaming party
  - Rock the Pool (live bands at the Olympic pool)
  - Unplugged Acoustic music events
  - Halloween (fancy dress band night)
  - Metal Sessions (Heavy Metal bands)
  - Future Frequency (DJ dance music)
  - Annual Rotary Youth Art Exhibition
- Other youth community events and programs supported by Council are:
  - Blue Light Disco
  - Unplugged Christmas Pageant
  - Unplugged Treasure Trail



Bridge to Opportunity

The Rural City of  
MURRAY  
BRIDGE

- Career Expo Chill Lounge
- VET Certificate II in Music provided by Music SA

Through the music program young people learn many different skills and abilities. One of these includes music production. Some community events supported by young people as an extension of the skills they have learned in the music program include:

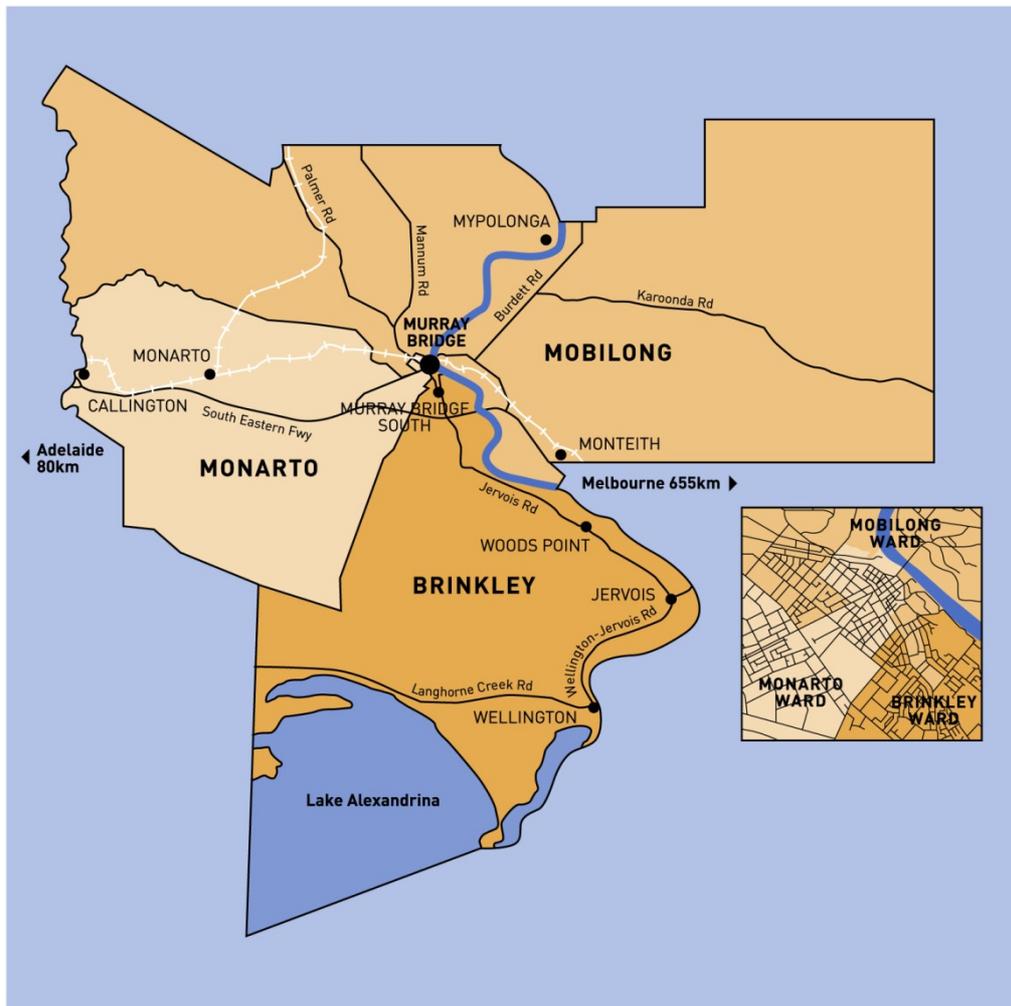
- Reconciliation week event
- NAIDOC Week awards ceremony and Family Fun-Day
- White Ribbon Day event
- Family Violence Vigils at the Local Government Centre



## Governance

### Ward Boundaries

The Rural City is divided into three wards each represented by three Councillors.





The Rural City of  
**MURRAY  
BRIDGE**

Bridge to Opportunity

## Governance

The elected members during 2013-14 were:



**Mayor Allan Arbon OAM**

08 8539 1144

[mayor@murraybridge.sa.gov.au](mailto:mayor@murraybridge.sa.gov.au)

### Brinkley Ward



**Cr Bob England**

08 8532 3084

[b.England@murraybridge.sa.gov.au](mailto:b.England@murraybridge.sa.gov.au)



**Cr Barry Laubsch**

08 8532 2553

[b.laubsch@murraybridge.sa.gov.au](mailto:b.laubsch@murraybridge.sa.gov.au)



**Cr Sharon Secker**

0408 487 304

[s.secker@murraybridge.sa.gov.au](mailto:s.secker@murraybridge.sa.gov.au)



**Cr June Phillips**

08 8531 0159

[cr.phillips@murraybridge.sa.gov.au](mailto:cr.phillips@murraybridge.sa.gov.au)



**Cr Fred Toogood**

0408 848 202

[f.toogood@murraybridge.sa.gov.au](mailto:f.toogood@murraybridge.sa.gov.au)

### Mobilong Ward



**Cr Clem Schubert**

08 8532 1468

[c.schubert@murraybridge.sa.gov.au](mailto:c.schubert@murraybridge.sa.gov.au)



**Cr Jerry Wilson**

0401 697 133

[j.wilson@murraybridge.sa.gov.au](mailto:j.wilson@murraybridge.sa.gov.au)



**Cr Theo Weinmann**

08 8535 4065

[t.weimann@murraybridge.sa.gov.au](mailto:t.weimann@murraybridge.sa.gov.au)

### Monarto Ward



**Cr Keith Simmons**

08 8532 6653

[k.simmons@murraybridge.sa.gov.au](mailto:k.simmons@murraybridge.sa.gov.au)



## Governance

### Council decision making structure

Decisions of the Council are made through various Council meetings, Committee meetings or by staff through delegated authority. Informed decision making is critical to ensuring that decisions are made in the best interests of the wider community. During 2013-14, Council's formal decision making structure comprised:

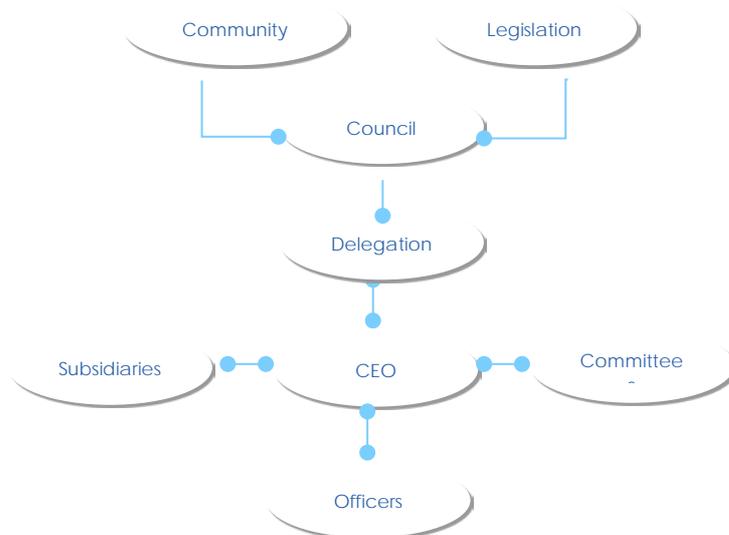
- General Council meetings which were held normally every three weeks on a Monday evening
- During 2013-14 twenty five Council meetings were held, including ten special meetings. One meeting was held in the rural township of Wellington.
- Audit Committee meetings, six were held during 2013-14 two of which were special meetings.)
- Development Assessment Panel meetings of which six meetings were held in 2013-14 on 19 August, 21 October, 16 December, 2013, 17 February, 17 March and 16 May, 2014
- Strategic Planning and Development Policy Committee meetings of which four meetings were held in 2013-14 on 18 September, 20 November, 2013 and 5 February, and 7 May, 2014

Decisions under delegation based on legislation, council policy and plans

In accordance with Council's Access to Council and Committee Meetings and Associated Documents Code of Practice, notice of meetings including agenda papers and attachments are available three days before a scheduled meeting.

Agenda papers are posted to Council's website and are available for viewing at the Local Government Centre.

Minutes from Council and Committees are available five days following the meeting on either Council's website or by viewing at the Local Government Centre.





## Governance

### Councillor attendance at meetings

Mayor Allan Arbon OAM	20
Cr Barry Laubsch	23
Cr Sharon Secker	22
Cr Bob England	23
Cr June Phillips	15
Cr Keith Simmons	22
Cr Clem Schubert	24
Cr Jerry Wilson	17
Cr Theo Weinmann	19
Cr Fred Toogood	24

## Committees

### Audit Committee

As a required body under the Local Government Act (Section 126) the Audit Committee plays a critical role in the financial reporting framework of Council by overseeing and monitoring the participation of management and external auditors in the financial reporting process. The Committee also addresses issues such as the approach being adopted by Council and management to address business risks, corporate and financial governance responsibilities and legal compliance as well as receiving reports from Council's internal controls. A copy of their Terms of Reference and annual work plan can be found on Council's website and a copy of its report on annual activities is attached.

### Development Assessment Panel

As required under S56A of the Development Act 1993, the Development Assessment Panel (DAP) consists of three elected members, three independent members and an independent presiding member. The role of the DAP is to assess a range of development applications that have been lodged within the Council area. The DAP generally meet monthly, unless there are no items of business. Meetings are open to the public and agendas and minutes are posted on Council's website.

### Community Development and Capacity Building Advisory Committee

The function of this Committee has been under review with Council determining the membership of this Committee at its meeting on the 30 June 2014.



## Governance

### Building Fires Safety Committee

Council's Building Fire Safety Committee, established pursuant to Section 71 of the Development Act 1993, includes Council appointed authorised officers, representatives from the Metropolitan Fire Service and the Country Fire Service and is responsible for the checking of fire safety provisions in new and existing buildings. Of particular interest to the Committee are those types of buildings that may constitute a high fire safety risk, such as large commercial/industrial buildings, motels and hotels. These meetings are held four times a year, generally on site to allow inspections of buildings to take place and notices are issued to owners where the fire safety of a building is not adequate.

### Strategic Planning and Development Policy Committee

As required pursuant to S101A of the Development Act 1993, Council's Strategic Planning and Development Policy Committee comprises three elected members and three community members. The purpose of the Committee is to provide a forum to discuss strategic and planning policy issues which may affect the Council area. The Committees' functions include making recommendations to Council in regard to proposed changes to Council's Development Plan as well as considering and reviewing changes to legislation and the Planning Strategy.

## Council Representation

Council completed a periodic review, known as a representation review, in early 2013 in accordance with Section 12(4) of the Local Government Act. The Electoral Commissioner certified that the review undertaken by Council satisfied the requirements of the Act and from the general elections to be held in November 2014 the existing three ward structure will be abolished and the Council area will no longer be divided into wards.

The elected Council will comprise the Mayor and nine area councillors who will be elected from the community as a whole.

The representation quota is determined by dividing the number of electors for the area of the Council by the number of members of the Council.

The number of elected members constituting the Rural City of Murray Bridge is ten, (including the Mayor) and the total number of electors is 13,018, hence the quota for The Rural City of Murray Bridge is one member to 1,301 electors.



## Governance

Representation quotas for Councils of a similar size are:

Council	No of elected members (including the Mayor)	Electors	Quota
Alexandrina	12	18,848	1:1571
Barossa	12	16,695	1:1391
Berri Barmera	9	7,348	1:816
Copper Coast	11	10,236	1:931
Light Regional	11	9,986	1:908
Loxton Waikerie	11	8,162	1:742
Murray Bridge	10	13,352	1:1335
Port Pirie	11	12,380	1:1125
Victor Harbor	10	11,391	1:1139
Wattle Range	12	8,582	1:715
Yorke Peninsula	12	8,903	1:742



## Governance

### Elected members allowances

The Local Government Act 1999 and the Local Government (Members Allowances and Benefits) Regulations 2010 provide for the payment of elected member allowances.

Elected member allowances are determined every four years by the Remuneration Tribunal of South Australia with the Rural City of Murray Bridge identified as a Group 2 Council.

#### Council

The Tribunal's determination of 23 August 2010 provided for the following allowances to be paid :

- Mayor - \$62,668.87
- Deputy Mayor - \$19,139.59
- Elected Member - \$15,311.63

#### Audit Committee

Fees set by Council resolution are:

- Chairperson \$500 per meeting
- Independent Members – Nil
- Elected member representatives – Nil

#### Development Assessment Panel

Fees set by Council resolution are:

- Presiding member - \$500 per meeting
- Independent members – Nil
- Elected member representatives – Nil

#### Strategic Planning and Policy Committee

Fees set by Council resolution are:

- Presiding Member - \$500 per meeting
- Independent Members – Nil
- Elected Member representatives – Nil

#### Building Fire Safety Committee

Fees set by Council resolution are:

- Presiding Member – payment for travel allowance and administration only
- Independent Members – Nil
- Elected Member representatives – Nil

#### Community Development and Capacity Building Committee

Fees set by Council resolution are – Nil



## Governance

### Elected members training & development

Council's Elected Members' Training & Development Policy (G:3) outlines Council's commitment to provide training and development activities for its elected members. It also recognises its responsibility to develop and adopt a policy for this purpose under Section 80A of the Local Government Act.

Elected members have continued to receive regular informal updates on changes to legislation as it applies through regular briefings. They are also encouraged to attend various Local Government training sessions, seminars, conferences and on line training programs. An amount of \$22,468 was spent on attendance at workshops and conferences (inclusive of registration fees, accommodation and travel costs).

The types of activities undertaken in 2013-14 included:

- The Local Government Association Annual General Meeting and Conference held in Adelaide
- The Australian Local Government Association Conference held in Canberra
- National Local Roads Conference held in Alice Springs
- Local Government Roads and Works Conference held in Renmark
- Murray Darling Association AGM held in Goolwa
- Murray and Mallee Local Government Association workshops
- Regional Development Australia / Economic Development workshops
- ICAC responsibilities information workshops
- Elected Member Code of Conduct information workshops
- Conflict of Interest information workshops
- Council meeting requirements
- Team Building workshops
- Update on Federal Election workshop
- HACC briefing
- Lerwin Board Member requirements
- Environmental Management requirements
- Open Space Study requirements



## Governance

### Code of Conduct or Practice

Following is a list of Council Codes of Conduct or Practice, adopted in accordance with the Local Government Act 1999 or the Local Government (Elections) Act 1999 and Local Government (Procedures at Meetings) Regulations 2000:

- Elected Members Code of Conduct
- Elected Member Complaint Handling
- Employee Code of Conduct
- Access to Council and Committee Meetings and Associated Documents Code of Practice

During 2013-2014 three formal Code of Conduct complaints were lodged relating to the conduct of individual elected members prior to the introduction of the legislated Elected Member Code of Conduct.

### Delegations

In keeping with legislative requirements, Council determines:

- the policies to be applied by the Council in exercising its discretionary powers
- the type, range and scope of projects to be undertaken by Council
- the resources which are to be made available to undertake such works and services

In accordance with Section 44 of the Local Government Act, certain powers, functions and duties have been delegated to the Chief Executive Officer from the Council by resolution.

The CEO has in turn sub-delegated some of these powers, functions and duties to appropriate Council officers. Such delegations enable the effective and efficient operation of the Council administration. No delegations have been given to Section 41 Committees by the Council. The Council reviews these delegations regularly.

### Review of Council's decisions

As required by the Local Government Act 1999, Council has developed a policy for the review of its decisions. The Internal Review of the Council Decisions Policy, demonstrates Council's commitment to transparent decision making processes, providing a fair and objective procedure for the hearing of review of decisions and identifying areas for the improvement of services.

There was one request reviewed under this procedure during 2013-2014.

### Confidential items

The Rural City of Murray Bridge is committed to the principals of open and accountable governance. Council also recognises that on occasions it may be necessary in the broader community interest to restrict public access to discussion and/or documents. During 2013-14 the Council considered fifty items in confidence in accordance with Section 90(2) and 91(7) of the Local Government Act, 1999



## Governance

A breakdown of the sections used is as follows:

	2012-13	2013-14
Information relating to the unreasonable disclosure of personal affairs –S90(3)(a)	4	22
Information relating to commercial advantage activities - S90(3)(b)	6	12
Information relating to the revealing of a trade secret		2
Information relating to commercial in confidence activities - S90(3)(d)	5	1
Information incorporating legal advice - S90(3)(h)	7	8
Information relating to tenders for the supply of goods & services – S90(3)(k)	0	3
Information relating to possible litigation - S90(3)(l)	2	2
<b>TOTAL</b>	<b>24</b>	<b>50</b>

Council reviews its confidentiality orders annually and also provides delegated power to its CEO to revoke orders as required.

	10-11	11-12	12-13	13-14
No of confidential items	53	47	24	50*
Total Reports	325	222	304	281

Eight items were released at the meeting they were considered and a further eleven have been released in full or the decision released during the year.

A Confidential Items Register is posted on Council's website along with reports released from confidence.



## Governance

### Complaints to the Ombudsman

The SA Ombudsman is an independent authority that investigates complaints about South Australian Government and Local Government agencies.

	10-11	11-12	12-13	13-14
Formal Ombudsman Investigations	1	1	1	0

### Conflict of Interest Declarations

In accordance with Section 74 of the Local Government Act 1999, Elected Members and staff are given the opportunity to declare an interest in a matter before the Council which is recorded in the Council minutes. Training on the Conflict of Interest requirements has also been provided to all Elected Members. During 2013-14 thirty three Conflict of Interest declarations were made by Elected Members and Staff relating to receipt of either a direct or indirect pecuniary benefit or direct or indirect non-pecuniary benefit. On twenty one occasions Elected Members vacated their chair due to them believing they would receive a direct benefit or detriment.

### Whistleblowers

In accordance with the Whistleblowers Protection Act 1993, a person who makes a disclosure of public interest information is entitled to the protection of the Act. Council encourages the disclosure of information about any illegal activity occurring in the organisation so as to strengthen our internal controls and procedures and to protect the public interest. There were no disclosures for the 2013-14 period. The process for investigating and reporting information is detailed in our Whistleblowers Protection Policy which is available on Council's website.

	10-11	11-12	12-13	13-14
Disclosures under the Whistleblowers Protection Act	0	0	1	0

### Corporate Reporting Framework

The Rural City of Murray Bridge identifies financial and non-financial measures to ensure our performance can be assessed against stated objectives. Included in the regular schedule of reports are:

- quarterly budget reviews to Council
- quarterly financial management reports to the Audit Committee
- regular reporting to the Audit Committee on key areas of financial planning and management, governance, financial performance and sustainability, internal audit, internal financial controls, risk management, emergency management and business continuity
- an Annual Report.



## Governance

### Management and Staffing

Management and staff of the Rural City of Murray Bridge work for and on behalf of the community in response to the policies and directions set by Council's Elected Members.

The Chief Executive Officer is responsible for the overall administration of the Rural City of Murray Bridge and for ensuring policies, programs and services are delivered and implemented by staff.

At the end of June 2014 the Chief Executive had an Executive Leadership Team of three General Managers. These senior managers are responsible for the organisational divisions of Corporate Services, Sustainable Communities and Infrastructure and Environment. Managers are responsible for individual business units within each of the Divisions.

### Executive Leadership Team

Staff holding Executive Leadership positions during the year are:

Peter Bond  
Chief Executive Officer

Michael Sedgman  
Acting General Manager Corporate Services  
(15 July 2013 to 9 October 2013).

Anthony Brown  
General Manager Corporate Services  
(20 December, 2013 to 30 June 2014)

Andrew Meddle  
General Manager Sustainable Communities

Simon Bradley  
General Manager Infrastructure & Environment



## Governance

### Divisional Business Unit Managers

Staff holding positions as Business Unit Managers as at 30 June 2014, excluding staff on long term leave, are:

Office of the Chief Executive Officer

Romildo Raveane

Manager Business Development

Corporate Services

Malcolm Downie

Manager Contracts

Julie Campbell

Manager Finance

Martin Smallridge

Manager, Human Resources

Mark Gillespie

Manager Information Services

Robert Shipp

Manager Risk

Sustainable Communities

Kieron Barnes

Manager Planning

Reginald Budarick

Manager Community Services

Clarry Fisher

Manager Health, Building and Compliance

Infrastructure and Environment

David Allen

Manager Operations

Matt James

Manager Engineering and Assets

### Executive Salary Packages

Salary packages for the four executive officers as at 30 June 2014 ranged from \$145,000 to \$235,000 which includes superannuation.



## Governance

### Staff Overview

Details on staffing by Division as at 30 June 2014 are shown below as full time equivalent numbers. Gender is shown by headcount.

Staff by Division (by full time equivalent)	Ongoing		Contract		Total	
	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
Office of the Chief Executive Officer	2	3.6	2.7	1.8	4.7	5.4
Corporate Services	10.86	13.8	2.8	5.8	13.66*	19.6
Sustainable Communities	37.65	39.1	5.6	4	43.25	43.1
Infrastructure and Environment	46	44.6	2.03	2	48.03	46.6
Lerwin Nursing Home	63	63	45	45	108	108
<b>TOTAL</b>	<b>159.51</b>	<b>164.1</b>	<b>58.13</b>	<b>58.6</b>	<b>217.64</b>	<b>222.7</b>
Staff Gender (by headcount)	Male		Female		Total	
	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
Office of the CEO	3	2	5	5	7	7
Corporate Services	2	5	11	17	14	22
Sustainable Communities	16	16	37	35	53	51
Infrastructure and Environment	43	45	6	5	49	50
Lerwin Nursing Home	4	4	104	104	108	108
<b>TOTAL</b>	<b>68</b>	<b>72</b>	<b>163</b>	<b>166</b>	<b>231</b>	<b>238</b>

\* Increase in staff as a result of Organisation Restructure and reshuffle of Business Units

### Human Resource Management Programs

The two main areas of activity during the year have been finalising Enterprise Agreements for staff covered by each of the three keys awards and establishing an Organisational and Performance Development program.

Negotiations with staff and representatives from each of the Australian Services Union, Australian Nursing and Midwifery Federation and the Australian Workers Union resulted in revised enterprise



## Governance

Agreements being lodged with the Industrial Relations Commission under each of the South Australian Municipal Officers Award, the Nurses (South Australian Local Government Sector) Award and the Local Government Employees Award.

The Organisational Development program introduced a greater focus on continual improvement in performance at a team and individual level. Elements of the program are:

- A review of position descriptions to ensure they reflect expected outcomes
- Development of a training plan for all individuals and the organisation
- Review and amendment to relevant policies, guidelines and procedures
- A focus on team work and development of a constructive culture

## Risk Management

The Rural City of Murray Bridge has adopted an integrated approach on the issues of Governance, Risk Management and Compliance (GRC) to ensure that Council acts in accordance with legislation, its self-imposed rules, its risk appetite and external regulations. RCMB also has a risk management framework which demonstrates that risks and opportunities are being systematically identified, rigorously assessed and effectively controlled on an organizational wide basis. These provide an increased assurance to Council, its Audit Committee and Executive Leadership Team that the organisation's business objectives are being achieved along with an increased confidence by the community in Council's operations. In the spirit of Local Government collaboration, Council's Risk Manager was seconded to neighbouring Councils to assist in various risk processes.

The Rural City of Murray Bridge participates annually in a review of those areas that have a level of civil liability exposure according to the Local Government Association Mutual Liability Scheme, or areas that requires Council to implement a formal risk management approach to prevent potential civil liability claims. This risk management review also forms a risk management component to the Performance Bonus System for the 2013-2014 contribution period. This review allows RCMB the opportunity to be rewarded back (as a "discount") a certain percentage of the Gross Contribution via a bonus system.

## Work Health and Safety

The Rural City of Murray Bridge is committed to providing and promoting a health and safe working environment to minimise the risk of injury or illness for all workers, (either paid or unpaid) whilst at work.

The Rural City of Murray Bridge continues to provide many proactive WHS initiatives to assist with the overall wellness of the City's most valuable resources: its people. Council in partnership with the Local Government Association Workers Compensation Scheme (LGAWCS) and the Corporate Health Group (CHG) facilitate an annual healthy lifestyle program. This year's program was conducted in three parts, commencing with an official launch followed by worker's health assessment, which covered a range of issues from cholesterol to glucose levels, BMI, lifestyle questioning around healthy eating to fitness activity participation etc and concluded with skin cancer screenings. 52 workers from across the organisation took part in these programs.

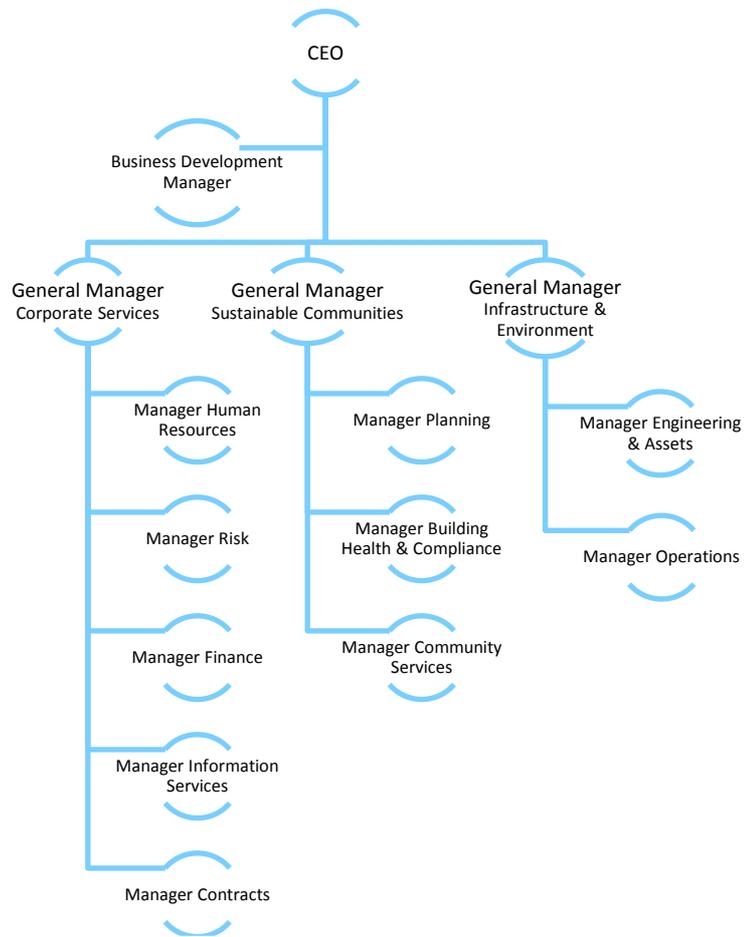
The Rural City of Murray Bridge recognises it's obligation in ensuring all foreseeable hazards are identified, assessed and eliminated or appropriately controlled. All accidents, incidents and near misses are reported, recorded and investigated and actioned using the hierarchy of control. Throughout the year, Council recorded four lost time injuries compared to a total of eight for the



## Governance

previous year, which saw Councils rebate penalty decreased from 44.0% in 2012-2013 to 45.7% in 2013-2014. Each year, the Rural City of Murray Bridge has a target to achieve a minimum of 5% improvement in relation to injury management and continues to work to achieve this goal. Every year Council is assessed on its performance in Work Health and Safety against legislative requirements along with the performance standards for self- insured.

## Rural City of Murray Bridge Organisational Structure





## Governance

### Land Management Plans

Under Section 193 of the Local Government Act 1999, all local government land owned by Council or under its care and control (excluding roads) is classified as community land.

Section 207 of the Act requires Council to develop and maintain a Community Land Register with Section 196 of the Act requiring Council to develop management plans for all community land.

Categories of community land are not specifically defined in the Act, but for the purposes of management, plans include areas that are set aside for community use or conservation purposes such as reserves, community, recreation and sporting facilities and natural areas.

During 2013-14 Council endorsed one Community Land Management Plan for Hefford Drive Reserve, Callington as required under the Act.

The generic community land management plans are for natural areas, reserves, sports grounds, general community areas, business areas and culturally significant areas. Site specific management plans may be developed for certain parcels where a need is identified.

The Community Land Management Plans, Community Land Register and associated map books are accessible at the Local Government Centre Customer Service Counter and on Council's website.

### Competitive Tendering

In accordance with Section 49 of the Local Government Act 1999, Council has an approved Procurement Policy and Procurement and Financial Delegations Management Guidelines which establish criteria for competitive tendering and levels of financial delegations for staff. These documents provide a robust system ensuring Council's probity and statutory requirements are met. Council has no policies or by-laws which restrict competition.

To enhance the opportunities for business and industry to assist Council with its procurement requirements, Council acts impartially towards each offer with an emphasis on achieving "value for money" and quality goods and services at all times, whilst promoting market competitiveness through its quotation and tendering processes.

During the 2013-2014 financial year, Council successfully managed a project to devise a sport, recreation and open space strategy that will be beneficial to the local community and visitors to the area. The strategy underwent public consultation during August 2013.

The Murray Bridge Sport Recreation and Open Space Strategy has been developed to provide the Council with a policy framework to guide the identification, provision, development and management of sport, recreation and open space services and infrastructure.

Council also formally advertised and accepted the following competitive tenders for the provision of goods and services during the year for the values indicated and/or the payments made.

ITEM	Value \$
Rubble Crushing	859,500
Gifford Hill Lagoon Construction	501,844
Steel Beam Road Safety Barrier Systems – Ferries McDonald Road	79,047
Town Centre Master Plan – Bridge Street Redevelopment of Design	329,080
<b>Total value of tenders accepted 2013-2014 before GST</b>	<b>\$1,769,471</b>



## Governance

### National Competition Policy

In accordance with the reporting requirements of the Clause 7 Statement on the application of Competition Principles to Local Government under the Competition Principles Agreement, the Rural City of Murray Bridge has no significant business activities to report.

Subject to the Competition Principles Agreement the Rural City of Murray Bridge wherever possible will incorporate the following preferences into Council's decision making in regard to purchasing processes:

- Competitive goods, services and construction works that are environmentally sustainable
- In any procurement process, where all other factors are equal, the Rural City of Murray Bridge may favour the engagement of local suppliers that is those operating within the region, to the extent permitted by law for goods, services and construction works.

### Access to Council Documents

The Rural City of Murray Bridge has a range of registers and codes to assist with decision-making and to ensure Council's activities are undertaken in an accountable, efficient, open and transparent manner. These documents are also available to the public. The following list outlines the current registers and codes at the end of the 2013-14 financial year:

<b>Registers</b>	<b>Section of the Local Government Act 1999</b>
S41 Committee Membership	41
Regional Subsidies	43
Delegations	44
Contracts	49
Interests Elected Members	68
Disclosure of Interest	74
Elected Members Allowances & Benefits	79
Elected Member Training Development	80A
Employee's Salaries, Wages and Benefits	105
Interest Executive Leadership Team	116
Assessment Record	172
Fees and Charges	188
Community Land	207
Public Roads	231
By Laws	252
Authorised Officer Appointments	260
Campaign Donation Register	Schedule 5
<b>Codes</b>	<b>Section of the Local Government Act 1999</b>
Elected Members Code of Conduct	63
Employee Code of Conduct	110
Access to Council and Committee meetings & Associated Documents Code of Practice	92



## Governance

### Freedom of Information Applications

The Chief Executive Officer is the Principal Officer under the Freedom of Information Act and supported by the Executive Officer as Council's Accredited Freedom of Information Officer. The Senior Records Officer provides support in researching information.

Council adopted a Freedom of Information Policy at its meeting on 14 May 2014 providing awareness that the name of the applicant may be released during third party consultation unless there is a legal impediment not to do so. Council also endorses the Fees and Charges applicable under the Act as set by Legislation.

To ensure awareness of the requirements of the Freedom of Information Act, staff were provided with a briefing of their responsibilities from representatives of the SA Ombudsman in April 2014.

A summary of Freedom of Information requests received and addressed by Council in 2013-14 are as follows:

	10-11	11-12	12-13	13-14
Applications Processed	0	3	7	6
Applications Determined	0	3	7	5
Full Release	0	1	5	4
Partial Release	0	2	2	1
Refused Access	0	0	0	0
Proceeded to Internal Review	0	0	1	1
Proceeded to External Review	0	0	0	0
Amendment to Personal Records	0	0	0	1

### Freedom of Information Statement

The Rural City of Murray Bridge publishes its Information Statement annually on its website in accordance with Section 9 of the Freedom of Information Act, 1991.

# Rural City of Murray Bridge

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2014

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*Our Place, Our Future*



*Bridge to Opportunity*

*The Rural City of*  
**MURRAY  
BRIDGE**

# Rural City of Murray Bridge

## General Purpose Financial Statements for the year ended 30 June 2014

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### Overview

- (i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Rural City of Murray Bridge.
- (ii) All figures presented in these financial statements are presented in Australian Currency.
- (iii) These financial statements were authorised for issue by the Council on 29/10/14. Council has the power to amend and reissue the financial statements.

# Rural City of Murray Bridge

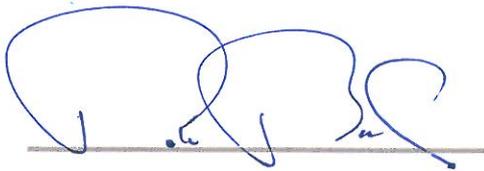
## General Purpose Financial Statements for the year ended 30 June 2014

### Certification of Financial Statements

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

**In our opinion:**

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2014 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.



Peter Bond  
**CHIEF EXECUTIVE OFFICER**



Allan Arbon OAM  
**MAYOR**

Date: 29<sup>th</sup> October 2014

# Rural City of Murray Bridge

## Statement of Comprehensive Income

for the year ended 30 June 2014

\$ '000	Notes	2014	2013
<b>Income</b>			
Rates Revenues	2a	18,613	17,755
Statutory Charges	2b	587	523
User Charges	2c	2,277	2,088
Grants, Subsidies and Contributions	2g	6,950	8,398
Investment Income	2d	145	133
Reimbursements	2e	313	181
Other Income	2f	617	561
Net Gain - Equity Accounted Council Businesses	19	-	271
<b>Total Income</b>		<b>29,502</b>	<b>29,910</b>
<b>Expenses</b>			
Employee Costs	3a	13,480	12,410
Materials, Contracts & Other Expenses	3b	11,202	11,435
Depreciation, Amortisation & Impairment	3c	6,081	6,812
Finance Costs	3d	618	687
Net loss - Equity Accounted Council Businesses	19	97	-
<b>Total Expenses</b>		<b>31,478</b>	<b>31,344</b>
<b>Operating Surplus / (Deficit)</b>		<b>(1,976)</b>	<b>(1,434)</b>
Asset Disposal & Fair Value Adjustments	4	(1,488)	(123)
Amounts Received Specifically for New or Upgraded Assets	2g	2,782	1,560
Physical Resources Received Free of Charge	2i	1,356	65
<b>Net Surplus / (Deficit) <sup>1</sup></b>		<b>674</b>	<b>68</b>
<b>Other Comprehensive Income</b>			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I, PP&E & Intangibles	9a	20,552	100,780
Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve	9a	(392)	-
<i>Amounts which will be reclassified subsequently to operating result</i>			
Nil			
<b>Total Other Comprehensive Income</b>		<b>20,160</b>	<b>100,780</b>
<b>Total Comprehensive Income</b>		<b>20,834</b>	<b>100,848</b>

<sup>1</sup> Transferred to Equity Statement

# Rural City of Murray Bridge

## Statement of Financial Position

as at 30 June 2014

\$ '000	Notes	2014	2013
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5a	5,437	3,888
Trade & Other Receivables	5b	2,950	3,000
Inventories	5d	3	76
<b>Total Current Assets</b>		<b>8,390</b>	<b>6,964</b>
<b>Non-Current Assets</b>			
Equity Accounted Investments in Council Businesses	6b	384	480
Infrastructure, Property, Plant & Equipment	7a	254,995	232,425
Other Non-Current Assets	6c	1,202	4,147
<b>Total Non-Current Assets</b>		<b>256,581</b>	<b>237,052</b>
<b>TOTAL ASSETS</b>		<b>264,971</b>	<b>244,016</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8a	5,236	4,104
Borrowings	8b	2,396	1,135
Provisions	8c	1,060	1,239
<b>Total Current Liabilities</b>		<b>8,692</b>	<b>6,478</b>
<b>Non-Current Liabilities</b>			
Borrowings	8b	6,781	9,177
Provisions	8c	544	241
<b>Total Non-Current Liabilities</b>		<b>7,325</b>	<b>9,418</b>
<b>TOTAL LIABILITIES</b>		<b>16,017</b>	<b>15,896</b>
<b>Net Assets</b>		<b>248,954</b>	<b>228,120</b>
<b>EQUITY</b>			
Accumulated Surplus		81,235	80,561
Asset Revaluation Reserves	9a	167,719	147,559
<b>Total Council Equity</b>		<b>248,954</b>	<b>228,120</b>

# Rural City of Murray Bridge

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

\$ '000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Total Equity
<b>2014</b>				
<b>Balance at the end of previous reporting period</b>		80,561	147,559	<b>228,120</b>
<b>a. Net Surplus / (Deficit) for Year</b>		674	-	<b>674</b>
<b>b. Other Comprehensive Income</b>				
- Gain (Loss) on Revaluation of I,PP&E	7a	-	21,902	<b>21,902</b>
- Gain (Loss) on Revaluation of Intangibles	7a	-	(1,350)	<b>(1,350)</b>
- IPP&E Impairment (Expense) / Recoupments Offset to ARR	7a	-	(392)	<b>(392)</b>
<b>Other Comprehensive Income</b>		-	20,160	<b>20,160</b>
<b>Total Comprehensive Income</b>		<b>674</b>	<b>20,160</b>	<b>20,834</b>
<b>Balance at the end of period</b>		<b>81,235</b>	<b>167,719</b>	<b>248,954</b>
<b>2013</b>				
<b>Balance at the end of previous reporting period</b>		80,493	46,779	<b>127,272</b>
<b>a. Net Surplus / (Deficit) for Year</b>		68	-	<b>68</b>
<b>b. Other Comprehensive Income</b>				
- Gain (Loss) on Revaluation of I,PP&E	7a	-	100,780	<b>100,780</b>
<b>Other Comprehensive Income</b>		-	100,780	<b>100,780</b>
<b>Total Comprehensive Income</b>		<b>68</b>	<b>100,780</b>	<b>100,848</b>
<b>Balance at the end of period</b>		<b>80,561</b>	<b>147,559</b>	<b>228,120</b>

# Rural City of Murray Bridge

## Statement of Cash Flows

for the year ended 30 June 2014

\$ '000	Notes	2014	2013
<b>Cash Flows from Operating Activities</b>			
<u>Receipts</u>			
Operating Receipts		30,097	30,497
Investment Receipts		145	133
<u>Payments</u>			
Operating Payments to Suppliers and Employees		(22,754)	(25,327)
Finance Payments		(631)	(554)
<b>Net Cash provided by (or used in) Operating Activities</b>	11b	<b>6,857</b>	<b>4,749</b>
<b>Cash Flows from Investing Activities</b>			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets	2g	2,782	1,560
Sale of Replaced Assets	4	170	44
Sale of Surplus Assets	4	120	105
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(5,968)	(5,495)
Expenditure on New/Upgraded Assets		(1,277)	(687)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(4,174)</b>	<b>(4,473)</b>
<b>Cash Flows from Financing Activities</b>			
<u>Receipts</u>			
Nil			
<u>Payments</u>			
Repayments of Borrowings		(1,135)	(1,149)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(1,135)</b>	<b>(1,149)</b>
<b>Net Increase (Decrease) in Cash Held</b>		<b>1,549</b>	<b>(873)</b>
plus: <b>Cash &amp; Cash Equivalents at beginning of period</b>	11	3,888	4,761
<b>Cash &amp; Cash Equivalents at end of period</b>	11	<b>5,437</b>	<b>3,888</b>

# Rural City of Murray Bridge

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

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# Rural City of Murray Bridge

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

### Note 1. Summary of Significant Accounting Policies

---

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

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

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 29 October 2014.

##### 1.2 Historical Cost Convention

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

##### 1.3 Critical Accounting Estimates

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

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

##### 1.4 Rounding

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

##### 1.5 Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items

and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

#### 2 The Local Government Reporting Entity

The Rural City of Murray Bridge is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 2 Seventh Street, Murray Bridge SA 5253. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

The principal activities and entities conducted other than in the Council's own name that have been included in these consolidated financial statements is the Lerwin Nursing Home.

#### 3 Income Recognition

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

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

In the month of June in recent years the Federal Government has paid amounts of untied financial assistance grants, which are recognised on receipt, in advance of the year of allocation. In June 2012 \$1,849 million of the 2012/13 allocation was paid in advance and in June 2013, an amount of \$1,804 million relating to the 2013/14 allocation was paid. Accordingly, the operating results of these periods have been distorted compared to those that would

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

Note 1. Summary of Significant Accounting Policies (continued)

have been reported had the grants been paid in a consistent manner.

The actual amounts of untied grants received during the reporting periods (including the advance allocations) are disclosed in Note 2.

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

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

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

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

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

**5 Inventories**

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

**5.1 Real Estate Assets Developments**

Real Estate Assets developments were previously classified as Inventory in accordance with AASB 102 and 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.

On review of accounting standards, real estate assets previously classified as inventory have been adjusted to a non-current asset in the financial year.

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

**6.1 Initial Recognition**

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

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

**6.2 Materiality**

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Buildings	\$10,000
Infrastructure	\$10,000
Plant & Vehicles	\$5,000
Equipment	\$5,000
Furniture & Fittings	\$1,000
Other - Artworks	\$1,000
Land	\$1

**6.3 Subsequent Recognition**

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further

# Rural City of Murray Bridge

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

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

detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

#### 6.4 Depreciation of Non-Current Assets

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

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

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

Buildings	10 to 80 years
Infrastructure	10 to 100 years
Plant & Vehicles	3 to 15 years
Equipment	4 to 40 years
Furniture & Fittings	10 to 80 years
Other - Artworks	7 to 100 years

#### 6.5 Impairment

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

#### 6.6 Borrowing Costs

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

### 7 Payables

#### 7.1 Goods & Services

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

#### 7.2 Payments Received in Advance & Deposits

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

### 8 Borrowings

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

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

### 9 Employee Benefits

#### 9.1 Salaries, Wages & Compensated Absences

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

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

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

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

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

#### 9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

#### 10 Provisions

##### 10.1 Provisions for Reinstatement, Restoration and Rehabilitation

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

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

##### 10.2 Provision for Carbon Tax

Council operates a landfill facility with receivals substantially below the taxation threshold of 25,000 tonnes of carbon dioxide equivalent (CO<sub>2</sub>e) gas emissions. Council considers that it has no current or likely future liability for this tax.

#### 11 Leases

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

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.

Council does not currently have any finance leases.

#### 12 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".

For works undertaken on a fixed price contract basis, revenues and expenses are recognised on a percentage of completion basis. Costs incurred in advance of a future claimed entitlement are classified as work in progress in inventory. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

#### 13 Joint Ventures and Associated Entities

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

#### 14 GST Implications

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

- Receivables and Creditors include GST receivable and payable.

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

Note 1. Summary of Significant Accounting Policies (continued)

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

**15 New accounting standards and UIG interpretations**

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

**Council has not adopted any of these standards early.**

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

**Applicable to Local Government with implications:**

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

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

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

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

Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to

be recognised directly in profit or loss although there is currently a proposal by the IASB to introduce a Fair value through Other Comprehensive Income category for debt instruments.

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

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

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

**Applicable to Local Government but no implications for Council;**

***AASB 2013-3 Amendments to AASB 136 Recoverable Amount Disclosures for Non-Financial Assets (effective for 30 June 2015 Financial Statements)***

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

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

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

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

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

# Rural City of Murray Bridge

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The amendments also introduce a "partial disposal" concept.

Council is still assessing the impact of these amendments.

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

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

#### **Not applicable to Local Government per se;**

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

#### **16 Disclaimer**

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

# Rural City of Murray Bridge

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

### Note 2. Income

\$ '000	Notes	2014	2013
<b>(a). Rates Revenues</b>			
<b>General Rates</b>			
General Rates		17,652	16,713
Less: Mandatory Rebates		(682)	(441)
Less: Discretionary Rebates, Remissions & Write Offs		(128)	(268)
<b>Total General Rates</b>		<b>16,842</b>	<b>16,004</b>
<b>Other Rates (Including Service Charges)</b>			
Natural Resource Management Levy		284	283
Waste Collection		1,081	1,003
Water Supply		11	5
Community Wastewater Management Systems		164	149
<b>Total Other Rates</b>		<b>1,540</b>	<b>1,440</b>
<b>Other Charges</b>			
Penalties for Late Payment		199	214
Legal & Other Costs Recovered		32	97
<b>Total Other Charges</b>		<b>231</b>	<b>311</b>
<b>Total Rates Revenues</b>		<b>18,613</b>	<b>17,755</b>
<b>(b). Statutory Charges</b>			
Development Act Fees		276	251
Town Planning Fees		35	39
Health & Septic Tank Inspection Fees		28	35
Animal Registration Fees & Fines		147	155
Parking Fines / Expiation Fees		101	34
Other Licences, Fees & Fines		-	9
<b>Total Statutory Charges</b>		<b>587</b>	<b>523</b>
<b>(c). User Charges</b>			
Cemetery/Crematoria Fees		149	143
Admission Charges - Pools		99	104
Aged Home Rentals		1,653	1,528
Hall & Equipment Hire		50	48
Property Lease		230	184
Sales - General		9	9
HACC Home Help		56	25
Sundry		31	49
<b>Total User Charges</b>		<b>2,277</b>	<b>2,088</b>

# Rural City of Murray Bridge

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

### Note 2. Income (continued)

\$ '000	Notes	2014	2013
<b>(d). Investment Income</b>			
Interest on Investments			
- Local Government Finance Authority		145	133
<b>Total Investment Income</b>		<b>145</b>	<b>133</b>
<b>(e). Reimbursements</b>			
Private Works		59	22
Dog Control		12	10
Immunisation		16	13
Energy Fuel Schemes		13	15
Other		213	121
<b>Total Reimbursements</b>		<b>313</b>	<b>181</b>
<b>(f). Other Income</b>			
Insurance & Other Recoupments - Infrastructure, IPP&E		53	78
Rebates Received		358	259
Sundry		206	224
<b>Total Other Income</b>		<b>617</b>	<b>561</b>
<b>(g). Grants, Subsidies, Contributions</b>			
Amounts Received Specifically for New or Upgraded Assets		2,782	1,560
<b>Total Amounts Received Specifically for New or Upgraded Assets</b>		<b>2,782</b>	<b>1,560</b>
Other Grants, Subsidies and Contributions		4,926	6,594
Individually Significant Item - Additional Grants Commission Payment (refer below)		2,024	1,804
<b>Total Grants, Subsidies, Contributions</b>		<b>9,732</b>	<b>9,958</b>
The functions to which these grants relate are shown in Note 12.			
<b>(i) Sources of grants</b>			
Commonwealth Government		7,326	5,915
State Government		2,281	4,040
Other		125	3
<b>Total</b>		<b>9,732</b>	<b>9,958</b>
<b>(ii) Individually Significant Items</b>			
Grant Commission (FAG) Grant Recognised as Income		2,024	1,804

## Rural City of Murray Bridge

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

#### Note 2. Income (continued)

\$ '000	Notes	2014	2013
<b>(h). Conditions over Grants &amp; Contributions</b>			
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:			
<b>Unexpended at the close of the previous reporting period</b>		126	18
<i>Less:</i>			
<i>Expended during the current period from revenues recognised in previous reporting periods</i>			
Heritage & Cultural Services		-	(18)
<b>Subtotal</b>		<b>-</b>	<b>(18)</b>
<i>Plus:</i>			
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Roads Infrastructure		617	-
Heritage & Cultural Services		-	24
Home and Community Care (HACC)		4	59
Obesity Prevention and Lifestyle (OPAL)		44	43
Murray Mallee Aging Task Force		25	-
PACE		49	-
<b>Subtotal</b>		<b>739</b>	<b>126</b>
<b>Unexpended at the close of this reporting period</b>		<b>865</b>	<b>126</b>
<b>Net increase (decrease) in assets subject to conditions in the current reporting period</b>		<b>739</b>	<b>108</b>
<b>(i). Physical Resources Received Free of Charge</b>			
Library Materials		61	65
Roads, Bridges & Footpaths		1,295	-
<b>Total Physical Resources Received Free of Charge</b>		<b>1,356</b>	<b>65</b>

## Rural City of Murray Bridge

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

#### Note 3. Expenses

\$ '000	Notes	2014	2013
<b>(a). Employee Costs</b>			
Salaries and Wages		10,385	9,121
Employee Leave Expense		1,330	1,538
Superannuation - Defined Contribution Plan Contributions	18	833	744
Superannuation - Defined Benefit Plan Contributions	18	273	253
Workers' Compensation Insurance		603	594
Other		166	225
Less: Capitalised and Distributed Costs		(110)	(65)
<b>Total Operating Employee Costs</b>		<b>13,480</b>	<b>12,410</b>
Total Number of Employees (full time equivalent at end of reporting period)		175	183
<b>(b). Materials, Contracts and Other Expenses</b>			
<b>(i) Prescribed Expenses</b>			
Auditor's Remuneration			
- Auditing the Financial Reports		19	17
Elected Members' Expenses		230	206
Election Expenses		5	16
Operating Lease Rentals - Cancellable Leases		21	23
<b>Subtotal - Prescribed Expenses</b>		<b>276</b>	<b>263</b>
<b>(ii) Other Materials, Contracts and Expenses</b>			
Contractors		5,440	5,638
Energy		810	792
WIP Write Down		366	-
Maintenance		101	51
Legal Expenses		198	394
Levies Paid to Government - NRM levy		276	269
Levies - Other		142	123
Professional Services		486	721
Sundry		1,572	1,570
Materials		1,431	1,411
Insurance		458	459
Software Expenses		599	597
Less: Capitalised and Distributed Costs		(953)	(853)
<b>Subtotal - Other Material, Contracts &amp; Expenses</b>		<b>10,927</b>	<b>11,172</b>
<b>Total Materials, Contracts and Other Expenses</b>		<b>11,202</b>	<b>11,435</b>
<b>(iii) Individually significant items</b>			
Nil			

## Rural City of Murray Bridge

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

#### Note 3. Expenses (continued)

\$ '000	Notes	2014	2013
<b>(c). Depreciation, Amortisation and Impairment</b>			
<b>(i) Depreciation and Amortisation</b>			
Buildings		823	871
Infrastructure		3,923	4,543
Plant & Vehicles		483	571
Furniture & Fittings		277	289
Equipment		510	480
Other Assets		64	58
<b>Subtotal</b>		<b>6,081</b>	<b>6,812</b>
<b>(ii) Impairment</b>			
Plant and Vehicles		392	-
<b>Subtotal</b>		<b>392</b>	<b>-</b>
Less: Impairment Expense Offset to Asset Revaluation Reserve	9	(392)	-
<b>Total Depreciation, Amortisation and Impairment</b>		<b>6,081</b>	<b>6,812</b>
<b>(d). Finance Costs</b>			
Interest on Loans		618	687
<b>Total Finance Costs</b>		<b>618</b>	<b>687</b>

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

##### Infrastructure, Property, Plant & Equipment

<b>(i) Assets Renewed or Directly Replaced</b>			
Proceeds from Disposal		170	44
Less: Carrying Amount of Assets Sold		(1,635)	(151)
<b>Gain (Loss) on Disposal</b>		<b>(1,465)</b>	<b>(107)</b>
<b>(ii) Assets Surplus to Requirements</b>			
Proceeds from Disposal		120	105
Less: Carrying Amount of Assets Sold		(143)	(121)
<b>Gain (Loss) on Disposal</b>		<b>(23)</b>	<b>(16)</b>
<b>Net Gain (Loss) on Disposal or Revaluation of Assets</b>		<b>(1,488)</b>	<b>(123)</b>

# Rural City of Murray Bridge

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

### Note 5. Current Assets

\$ '000	Notes	2014	2013
<b>(a). Cash &amp; Cash Equivalents</b>			
Cash on Hand at Bank		271	359
Deposits at Call		5,166	3,529
<b>Total Cash &amp; Cash Equivalents</b>		<b>5,437</b>	<b>3,888</b>
<b>(b). Trade &amp; Other Receivables</b>			
Rates - General & Other		1,801	2,244
Accrued Revenues		34	34
Debtors - General		951	557
GST Recoupment		126	131
Prepayments		41	36
<b>Subtotal</b>		<b>2,953</b>	<b>3,002</b>
Less: Allowance for Doubtful Debts		(3)	(2)
<b>Total Trade &amp; Other Receivables</b>		<b>2,950</b>	<b>3,000</b>
<b>(c). Other Financial Assets (Investments)</b>			
Nil			
<b>(d). Inventories</b>			
Stores & Materials		3	2
Real Estate Developments	6	-	74
<b>Total Inventories</b>		<b>3</b>	<b>76</b>

## Rural City of Murray Bridge

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

#### Note 6. Non-Current Assets

\$ '000	Notes	2014	2013
<b>(a). Financial Assets</b>			
Nil			
<b>(b). Equity Accounted Investments in Council Businesses</b>			
Adelaide Hills Region Waste Management Authority	19	384	480
<b>Total Equity Accounted Investments in Council Businesses</b>		<b>384</b>	<b>480</b>
<b>(c). Other Non-Current Assets</b>			
<b>(i) Inventories</b>			
Nil			
<b>(ii) Other</b>			
Capital Works-in-Progress		1,202	2,797
Bed Licences		-	1,350
<b>Total Other</b>		<b>1,202</b>	<b>4,147</b>
<b>Total Other Non-Current Assets</b>		<b>1,202</b>	<b>4,147</b>
<p>The 75 Lerwin bed licences were not acquired at a cost but were recognised as an Intangible Asset in 2006 based on a professional valuation. AASB 138 states that the initial recognition of intangible assets at amounts other than cost is not allowed. It is considered that the Licences do have a value but it is difficult to estimate as there is not an active market for the licences. Consistent with the mentioned Accounting Standard the intangible asset has been written off to the revaluation reserve.</p>			
<b>Other disclosures</b>			
<b>Real Estate Developments - Current &amp; Non-Current</b>			
(Valued at the lower of cost and net realisable value)			
Residential		-	-
Industrial & Commercial		-	74
<b>Total Real Estate for Resale</b>		<b>-</b>	<b>74</b>
<b>Represented by:</b>			
Acquisition Costs		-	74
<b>Total Real Estate of Resale</b>		<b>-</b>	<b>74</b>
<b>(ii) Apportionment of Real Estate Developments</b>			
Current Assets		-	74
Non-Current Assets		-	-
		<b>-</b>	<b>74</b>

## Rural City of Murray Bridge

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

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

\$ '000	Fair Value Level	as at 30/6/2013				Asset Movements during the Reporting Period							as at 30/6/2014			
		At Fair Value	At Cost	Accumulated Dep'n	Carrying Value	Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3c)	Impairment Loss (recognised in Equity) (Note 9)	Adjustments & Transfers	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Dep'n	Carrying Value
						New / Upgrade	Renewals									
Land - Community	3	23,352	-	-	23,352	478	-	-	-	-	-	-	23,830	-	-	23,830
Buildings	2	40,255	7,426	19,772	27,909	171	9	-	(823)	-	-	21,902	66,733	-	17,565	49,168
Infrastructure	3	245,936	-	78,258	167,678	2,907	4,695	(1,447)	(3,923)	-	(36)	-	242,690	7,602	80,418	169,874
Plant & Vehicles	2	4,209	1,036	1,054	4,191	-	575	(331)	(483)	(392)	(165)	-	2,989	1,611	1,205	3,395
Furniture & Fittings	2	3,160	3,718	1,795	5,083	8	2	(2)	(277)	-	105	-	3,407	3,729	2,217	4,919
Equipment	2	1,555	3,599	1,607	3,547	202	10	(1)	(510)	-	(110)	-	1,303	3,811	1,976	3,138
Other Assets	2	-	2,090	1,424	666	70	-	-	(65)	-	-	-	-	2,160	1,489	671
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>		<b>318,467</b>	<b>17,869</b>	<b>103,910</b>	<b>232,425</b>	<b>3,836</b>	<b>5,290</b>	<b>(1,781)</b>	<b>(6,081)</b>	<b>(392)</b>	<b>(206)</b>	<b>21,902</b>	<b>340,952</b>	<b>18,913</b>	<b>104,871</b>	<b>254,995</b>
<b>Comparatives</b>		79,110	100,037	53,348	<b>125,799</b>	10,989	1,791	(272)	(6,812)	-	-	100,780	318,467	17,869	103,910	<b>232,425</b>

### Note 7a (ii). Investment Property

Nil

## Rural City of Murray Bridge

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

for the year ended 30 June 2014

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

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\$ '000

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##### Valuation of Assets

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

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

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

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

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs). Specialised buildings were valued using the cost approach using professionally qualified Registered Valuers with inputs derived by the relationship between asset consumption rating scale and level of consumed service potential.

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

##### Information on Valuations

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

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

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

This method involves:

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

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

## Rural City of Murray Bridge

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

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

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\$ '000

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#### Valuation of Assets (continued)

##### Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

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

##### Highest and best use

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

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

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

##### Land

- Basis of valuation: Market Value
- Date of valuation: 30 June 2010
- Valuer: Office of the Valuer General

##### Buildings

- Basis of valuation: Market Value / Written down current replacement cost
- Date of valuation: 30 June 2014. Valuation was received and adopted in September 2014
- Valuer: Lachlan Black, Manager of Valuations, APV

## Rural City of Murray Bridge

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

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

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\$ '000

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#### Infrastructure

##### *Roads, Kerb and Gutter, Footpaths*

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2013.
- Valuer: Rod Ellis BE(Civil) MBA FIEAust CPEng, Principal Engineer, Tonkins

##### *Stormwater Drainage*

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2013.
- Valuer: Rod Ellis BE(Civil) MBA FIEAust CPEng, Principal Engineer, Tonkins

##### *Structures, Bridges, Car Parks*

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2013.
- Valuer: Rod Ellis BE(Civil) MBA FIEAust CPEng, Principal Engineer, Tonkins

#### Plant & Vehicles

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2011
- Valuer: Doug Whelan, AAPI, MAVA, Certified Practicing Valuer, (Plant and Machinery) VASA Valuers QLD

#### Furniture & Fittings

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2008. Valuation was received and adopted in 2009.
- Valuer: Martin Oldfield, B.Bus (Prop), Certified Practicing Valuer, Maloney Field Services

#### All other Assets

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2009
- Valuer: Council valuation

## Rural City of Murray Bridge

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

#### Note 8. Liabilities

\$ '000	Notes	2014 Current	2014 Non Current	2013 Current	2013 Non Current
<b>(a). Trade and Other Payables</b>					
Goods & Services		2,155	-	1,729	-
Payments Received in Advance		1,450	-	766	-
Accrued Expenses - Employee Entitlements		1,270	-	1,186	-
Accrued Expenses - Finance Costs		121	-	134	-
Accrued Expenses - Other		240	-	289	-
<b>Total Trade and Other Payables</b>		<b>5,236</b>	<b>-</b>	<b>4,104</b>	<b>-</b>

#### (b). Borrowings

Loans		2,396	6,781	1,135	9,177
<b>Total Borrowings</b>		<b>2,396</b>	<b>6,781</b>	<b>1,135</b>	<b>9,177</b>

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

#### (c). Provisions

Employee Entitlements (including oncosts)		1,060	544	1,239	241
<b>Total Provisions</b>		<b>1,060</b>	<b>544</b>	<b>1,239</b>	<b>241</b>

#### (d). Liability Accounted Investments in Council Businesses

Nil

#### (e). Other Liabilities

Nil

## Rural City of Murray Bridge

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

#### Note 9. Reserves

\$ '000	1/7/2013	Increments (Decrements)	Transfers	Impairments	30/6/2014
<b>(a). Asset Revaluation Reserve</b>					
Land - Community	12,884	-	-	-	12,884
Buildings	14,272	21,902	-	-	36,174
Infrastructure	115,851	-	-	-	115,851
Equipment	753	-	-	-	753
Plant & Vehicles	2,449	-	-	(392)	2,057
Intangibles	1,350	(1,350)	-	-	-
<b>Total Asset Revaluation Reserve</b>	<b>147,559</b>	<b>20,552</b>	<b>-</b>	<b>(392)</b>	<b>167,719</b>
<b>Comparatives</b>	<b>46,779</b>	<b>100,780</b>	<b>-</b>	<b>-</b>	<b>147,559</b>

Opening balance of Infrastructure was restated to recognise that contained an amount for intangibles which is now disclosed separately.

#### **(b). Available-for-Sale Investment Reserve**

Nil

#### **(c). Other Reserves**

Nil

#### **PURPOSES OF RESERVES**

##### **Asset Revaluation Reserves**

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

## Rural City of Murray Bridge

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

#### Note 10. Assets Subject to Restrictions

\$ '000	Notes	2014	2013
<p>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.</p>			
<b>Cash &amp; Financial Assets</b>			
<b>Unexpended amounts received from Federal Government</b>			
Open Space Contributions		352	294
Developer Contributions		211	277
Zsolt Telkesi Scholarship		64	62
Lerwin Bequest		506	62
Carparking Contributions		26	25
Stormwater Harvesting Project		1,005	-
<b>Total Cash &amp; Financial Assets</b>		<b>2,164</b>	<b>720</b>
<b>Total Assets Subject to Externally Imposed Restrictions</b>			
		<b>2,164</b>	<b>720</b>
<p>The following liabilities, included in Note 8, may be discharged from restricted assets in the first instance:</p>			
Payables	8	1,095	-
<b>Total</b>		<b>1,095</b>	<b>-</b>

## Rural City of Murray Bridge

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

#### Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2014	2013
<b>(a). Reconciliation of Cash</b>			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash & Equivalent Assets	5	5,437	3,888
Less: Short-Term Borrowings	8	-	-
<b>Balances per Statement of Cash Flows</b>		<b>5,437</b>	<b>3,888</b>
<b>(b). Reconciliation of Change in Net Assets to Cash from Operating Activities</b>			
<b>Net Surplus/(Deficit)</b>		<b>674</b>	<b>68</b>
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		6,081	6,812
Equity Movements in Equity Accounted Investments (Increase)/Decrease		97	(271)
Non-Cash Asset Acquisitions		(1,356)	(65)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(2,782)	(1,560)
Net (Gain) Loss on Disposals		1,488	123
		<b>4,202</b>	<b>5,107</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		49	(439)
Change in Allowances for Under-Recovery of Receivables		(1)	2
Net (Increase)/Decrease in Other Current Assets		1,351	(4)
Net Increase/(Decrease) in Trade & Other Payables		1,132	(65)
Net Increase/(Decrease) in Unpaid Employee Benefits		124	119
<b>Net Cash provided by (or used in) operations</b>		<b>6,857</b>	<b>4,720</b>
<b>(c). Non-Cash Financing and Investing Activities</b>			
<b>Acquisition of assets by means of:</b>			
- Physical Resources Received Free of Charge	2i	1,356	65
<b>Total Non-Cash Financing &amp; Investing Activities</b>		<b>1,356</b>	<b>65</b>
<b>(d). Financing Arrangements</b>			
<b>Unrestricted access was available at balance date to the following lines of credit:</b>			
Bank Overdrafts		500	500
Corporate Credit Cards		50	50
LGFA Cash Advance Debenture Facility		5,000	5,000

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

## Rural City of Murray Bridge

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

for the year ended 30 June 2014

#### Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013	Actual 2014	Actual 2013
<b>\$ '000</b>										
Business Undertakings	-	-	-	-	-	-	-	-	254,596	149
Administration	20,297	21,208	10,006	9,762	10,291	11,446	2,024	3,502	-	243,867
Transport & Communication	74	-	1,839	2,215	(1,765)	(2,215)	15	16	-	-
Public Order and Safety	265	255	450	373	(185)	(118)	-	-	-	-
Health	58	63	263	237	(205)	(174)	7	6	-	-
Social Security and Welfare	6,600	6,301	6,979	6,621	(379)	(319)	4,803	4,670	10,375	-
Housing and Community Amenities	204	254	846	887	(642)	(633)	-	-	-	-
Protection of Environment	1,117	1,084	1,997	1,656	(880)	(572)	36	81	-	-
Sport and Recreation	331	345	3,025	2,508	(2,694)	(2,163)	65	58	-	-
Mining, Manufacturing & Construction	119	-	166	-	(47)	-	-	-	-	-
Economic Affairs	107	46	552	480	(444)	(434)	-	-	-	-
Other Purposes	330	354	5,355	6,607	(5,026)	(6,253)	-	65	-	-
<b>Total Functions/Activities</b>	<b>29,502</b>	<b>29,910</b>	<b>31,478</b>	<b>31,345</b>	<b>(1,976)</b>	<b>(1,435)</b>	<b>6,950</b>	<b>8,399</b>	<b>264,971</b>	<b>244,016</b>

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

# Rural City of Murray Bridge

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

## Note 12b. Components of Functions

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\$ '000

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**The activities relating to Council functions are as follows:**

### **ADMINISTRATION**

Governance, Administration, elected members, accounting/finance, payroll, human resources, information technology, rates administration, records management, customer service.

### **TRANSPORT AND COMMUNICATION**

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, parking areas, bus shelters and service, street lighting.

### **PROTECTION OF THE ENVIRONMENT**

Agricultural services, landcare, waste management, recycling, transfer stations, Natural Resources Management Levy

### **PUBLIC ORDER AND SAFETY**

Fire protection, animal control, enforcement of local government regulations, emergency services.

### **HEALTH**

Administration and inspection, immunisations, food control, noxious plants.

### **SOCIAL SECURITY AND WELFARE**

Administration, youth services, aged and disabled, other community services.

### **HOUSING AND COMMUNITY AMENITIES**

Housing, town planning, domestic waste management services, other waste management services, other waste, management services, street cleaning, other sanitation and garbage, urban stormwater drainage, environmental.

### **SPORT AND RECREATION**

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens, other sport and recreation.

### **MINING, MANUFACTURING AND CONSTRUCTION**

Building control, quarries and pits.

### **ECONOMIC AFFAIRS**

Tourism and area promotion, real estate developments, other business undertakings

### **OTHER PURPOSES**

Costs not otherwise attributed to other functions/activities

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

### Note 13. Financial Instruments

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\$ '000

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#### Recognised Financial Instruments

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

##### Accounting Policy:

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

##### Terms & Conditions:

Deposits are returning fixed interest rates between 0% and 2.75% (2013: 2.75% and 3.5%).

##### Carrying Amount:

Approximates fair value due to the short term to maturity.

##### Receivables

##### Rates & Associated Charges

(including legals & penalties for late payment)

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

##### Accounting Policy:

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

##### Terms & Conditions:

Secured over the subject land, arrears attract interest of 8% (2013: 8.5%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

##### Carrying Amount:

Approximates fair value (after deduction of any allowance).

##### Receivables

##### Fees & Other Charges

##### Accounting Policy:

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

##### Terms & Conditions:

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

##### Carrying Amount:

Approximates fair value (after deduction of any allowance).

# Rural City of Murray Bridge

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

### Note 13. Financial Instruments (continued)

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\$ '000

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#### Recognised Financial Instruments

##### Receivables

##### Other Levels of Government

##### Accounting Policy:

Carried at nominal value.

##### Terms & Conditions:

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

##### Carrying Amount:

Approximates fair value.

##### Receivables

##### Retirement Home Contributions

##### Accounting Policy:

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

##### Terms & Conditions:

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

##### Carrying Amount:

Approximates fair value (after deduction of any allowance).

##### Liabilities

##### Creditors and Accruals

##### Accounting Policy:

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

##### Terms & Conditions:

Liabilities are normally settled on 30 day terms.

##### Carrying Amount:

Approximates fair value.

# Rural City of Murray Bridge

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

### Note 13. Financial Instruments (continued)

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\$ '000

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#### Recognised Financial Instruments

##### Liabilities

##### Retirement Home Contributions

##### Accounting Policy:

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

##### Terms & Conditions:

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

##### Carrying Amount:

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

##### Liabilities

##### Interest Bearing Borrowings

##### Accounting Policy:

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

##### Terms & Conditions:

Secured over future revenues, borrowings are repayable bi-annually; interest is charged at fixed rates between 4.8% and 6.75% (2013: 4.8% and 6.95%).

##### Carrying Amount:

Approximates fair value.

##### Liabilities

##### Finance Leases

##### Accounting Policy:

Accounted for in accordance with AASB 117.

## Rural City of Murray Bridge

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

for the year ended 30 June 2014

#### Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2014</b>					
<b>Financial Assets</b>					
Cash & Equivalents	5,437	-	-	5,437	5,437
Receivables	982	-	-	982	982
<b>Total Financial Assets</b>	<b>6,419</b>	<b>-</b>	<b>-</b>	<b>6,419</b>	<b>6,419</b>
<b>Financial Liabilities</b>					
Payables	3,786	-	-	3,786	3,786
Current Borrowings	2,396	-	-	2,396	2,396
Non-Current Borrowings	-	6,781	-	6,781	6,781
<b>Total Financial Liabilities</b>	<b>6,182</b>	<b>6,781</b>	<b>-</b>	<b>12,963</b>	<b>12,963</b>

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2013</b>					
<b>Financial Assets</b>					
Cash & Equivalents	3,888	-	-	3,888	3,888
Receivables	560	-	-	560	561
<b>Total Financial Assets</b>	<b>4,448</b>	<b>-</b>	<b>-</b>	<b>4,448</b>	<b>4,449</b>
<b>Financial Liabilities</b>					
Payables	2,877	-	-	2,877	4,104
Current Borrowings	1,135	-	-	1,135	1,135
Non-Current Borrowings	-	6,696	2,482	9,178	9,177
<b>Total Financial Liabilities</b>	<b>4,012</b>	<b>6,696</b>	<b>2,482</b>	<b>13,190</b>	<b>14,416</b>

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

	30 June 2014		30 June 2013	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed Interest Rates	6.30%	9,177	6.30%	10,312
		<b>9,177</b>		<b>10,312</b>

#### Net Fair Value

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

# Rural City of Murray Bridge

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

### Note 13. Financial Instruments (continued)

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\$ '000

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#### Risk Exposures

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

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

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

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

# Rural City of Murray Bridge

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

### Note 14. Commitments for Expenditure

\$ '000	Notes	2014	2013
<b>(a). Capital Commitments</b>			
<b>Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:</b>			
Land		-	300
Buildings		4	-
Infrastructure		11,788	8,317
Plant & Equipment		207	-
Other		12	-
		<b>12,011</b>	<b>8,617</b>
<b>These expenditures are payable:</b>			
Not later than one year		7,205	5,731
Later than one year and not later than 5 years		4,806	2,886
Later than 5 years		-	-
		<b>12,011</b>	<b>8,617</b>
<b>(b). Other Expenditure Commitments</b>			
<b>Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:</b>			
Audit Services		18	35
Waste Management Services		1,271	3,341
Employee Remuneration Contracts		4,878	4,961
		<b>6,167</b>	<b>8,337</b>
<b>These expenditures are payable:</b>			
Not later than one year		2,123	3,465
Later than one year and not later than 5 years		4,044	4,872
Later than 5 years		-	-
		<b>6,167</b>	<b>8,337</b>
<b>(c). Finance Lease Commitments</b>			
Council has no Finance Leases.			

# Rural City of Murray Bridge

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

### Note 15. Financial Indicators

\$ '000	Amounts 2014	Indicator 2014	Prior Periods 2013	2012
<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.</p>				
<b>1. Operating Surplus Ratio</b>				
Operating Surplus	<b>-1,976</b>			
<u>Rates - General &amp; Other Less NRM levy</u>	<u>18,329</u>	-11%	(8%)	(12%)
<p><i>This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.</i></p>				
<b>1a. Adjusted Operating Surplus Ratio</b>				
In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the disclosed operating result for each year.	<b>-1,976</b>			
	<u>18,329</u>	-11%	(19%)	(18%)
<b>2. Net Financial Liabilities Ratio</b>				
Net Financial Liabilities	<b>7,630</b>			
<u>Total Operating Revenue Less NRM Levy</u>	<u>29,218</u>	26%	30%	33%
<p><i>Net financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue (excluding NRM levy).</i></p>				
<b>3. Asset Sustainability Ratio</b>				
Net Asset Renewals	<b>5,120</b>			
<u>Infrastructure &amp; Asset Management Plan required expenditure</u>	<u>6,081</u>	84%	80%	53%
<p><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></p>				

# Rural City of Murray Bridge

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

### Note 15. Financial Indicators - Graphs (continued)

<p><b>1. Operating Surplus Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>-12%</td> </tr> <tr> <td>2013</td> <td>-8%</td> </tr> <tr> <td>2014</td> <td>-11%</td> </tr> </tbody> </table>	Year	Ratio %	2012	-12%	2013	-8%	2014	-11%	<p><b>Purpose of Operating Surplus Ratio</b></p> <p>This ratio represents the amount by which rates would need to be increased or decreased to achieve a balanced budget.</p>	<p><b>Commentary on 2013/14 Result</b></p> <p><b>2013/14 Ratio -11%</b></p> <p>The operating surplus ratio has deteriorated to -11% mainly due to Work in Progress write down of \$366k. The target ration is 0% or break even budget.</p>
Year	Ratio %									
2012	-12%									
2013	-8%									
2014	-11%									
<p><b>1a. Adjusted Operating Surplus Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>-18%</td> </tr> <tr> <td>2013</td> <td>-19%</td> </tr> <tr> <td>2014</td> <td>-11%</td> </tr> </tbody> </table>	Year	Ratio %	2012	-18%	2013	-19%	2014	-11%	<p><b>Purpose of Adjusted Operating Surplus Ratio</b></p> <p>This ratio adjusts the operating surplus ratio for advance grant payments by the Federal Government.</p>	<p><b>Commentary on 2013/14 Result</b></p> <p><b>2013/14 Ratio -11%</b></p> <p>The adjusted operating surplus ratio of 2013/14 is consistent with the operating surplus ratio as there was no advance payment of the Financial Assistance Grants in 2013/14.</p>
Year	Ratio %									
2012	-18%									
2013	-19%									
2014	-11%									
<p><b>2. Net Financial Liabilities Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>33%</td> </tr> <tr> <td>2013</td> <td>30%</td> </tr> <tr> <td>2014</td> <td>26%</td> </tr> </tbody> </table>	Year	Ratio %	2012	33%	2013	30%	2014	26%	<p><b>Purpose of Net Financial Liabilities Ratio</b></p> <p>This ratio shows the ability of Council to meet its net financial liabilities by its operating revenue.</p>	<p><b>Commentary on 2013/14 Result</b></p> <p><b>2013/14 Ratio 26%</b></p> <p>The net financial liabilities ratio has continued to decrease as there was no additional borrowings in the 2013/14 financial year. The ratio is comfortably within Council's policy target of 0 to 75%.</p>
Year	Ratio %									
2012	33%									
2013	30%									
2014	26%									
<p><b>3. Asset Sustainability Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>53%</td> </tr> <tr> <td>2013</td> <td>80%</td> </tr> <tr> <td>2014</td> <td>84%</td> </tr> </tbody> </table>	Year	Ratio %	2012	53%	2013	80%	2014	84%	<p><b>Purpose of Asset Sustainability Ratio</b></p> <p>This ratio indicates if Council is renewing its assets at the same rate as they are wearing out.</p>	<p><b>Commentary on 2013/14 Result</b></p> <p><b>2013/14 Ratio 84%</b></p> <p>The asset sustainability ratio has remained steady due to decreased depreciation and increase to expenditure on asset renewal and replacement. The ratio exceeds Council's policy target of 75% by 2014/15.</p>
Year	Ratio %									
2012	53%									
2013	80%									
2014	84%									

## Rural City of Murray Bridge

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

#### Note 16. Uniform Presentation of Finances

\$ '000	2014	2013
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	29,502	29,910
less Expenses	(31,478)	(31,344)
<b>Operating Surplus / (Deficit)</b>	<b>(1,976)</b>	<b>(1,434)</b>
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	5,290	1,792
less Depreciation, Amortisation and Impairment	(6,081)	(6,812)
less Proceeds from Sale of Replaced Assets	(170)	(44)
<b>Subtotal</b>	<b>(961)</b>	<b>(5,064)</b>
<b>less Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	3,838	10,989
less Amounts Received Specifically for New and Upgraded Assets	(2,782)	(1,560)
less Proceeds from Sale of Surplus Assets (including Investment Property & and Real Estate Developments)	(120)	(105)
<b>Subtotal</b>	<b>936</b>	<b>9,324</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(1,952)</b>	<b>(5,694)</b>

## Rural City of Murray Bridge

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

### Note 17. Operating Leases

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

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

#### Leases commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:

Not later than one year	130	62
Later than one year and not later than 5 years	544	188
Later than 5 years	64	64
	<u>738</u>	<u>314</u>

#### Lease Payment Commitments of Council

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

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

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

Not later than one year	-	21
Later than one year and not later than 5 years	-	29
Later than 5 years	-	-
	<u>-</u>	<u>50</u>

## Rural City of Murray Bridge

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

#### Note 18. Superannuation

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\$ '000

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

##### **Marketlink (Accumulation Fund) Members**

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9.25% in 2013/14; 9% in 2012/13). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

##### **Salarylink (Defined Benefit) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Trustee based on advice from the appointed Actuary. The range is currently 6.3% (6.3% in 2012/13) of 'superannuation' salary.

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

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

The most recent full actuarial investigation conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2011. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

##### **Contributions to Other Superannuation Schemes**

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

##### **Contributions to Other Superannuation Schemes**

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

# Rural City of Murray Bridge

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

## Note 19. Equity Accounted Council Businesses

\$ '000

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

	Council's Share of Net Income		Council's Share of Net Assets	
	2014	2013	2014	2013
Joint Venture Entities	(97)	271	384	481
<b>Total</b>	<b>(97)</b>	<b>271</b>	<b>384</b>	<b>481</b>

### (i) JOINT VENTURE ENTITIES

#### (a) Carrying Amounts

Name of Entity	Principal Activity	2014	2013
Adelaide Hills Regional Waste Management Authority	Waste Management	384	481
<b>Total Carrying Amounts - Joint Venture Entities</b>		<b>384</b>	<b>481</b>

#### (b) Relevant Interests

Name of Entity	Interest in Outputs		Interest in Ownership		Proportion of Voting Power	
	2014	2013	2014	2013	2014	2013
Adelaide Hills Regional Waste Management Authority	24%	23%	17%	18%	25%	25%

#### (c) Movement in Carrying Amounts

	Adelaide Hills Regional Waste Management Authority	
	2014	2013
Opening Balance	481	237
Share in Operating Result	(97)	271
Distributions Received	-	(27)
<b>Council's Equity Share in the Joint Venture Entity</b>	<b>384</b>	<b>481</b>

#### (d) Share of Joint Ventures Assets & Liabilities

	Assets		Liabilities		Net Assets
	Current	Non Current	Current	Non Current	
<b>2014</b>					
Adelaide Hills Regional Waste Management Authority	145	584	113	232	384
<b>Totals</b>	<b>145</b>	<b>584</b>	<b>113</b>	<b>232</b>	<b>384</b>
<b>2013</b>					
Adelaide Hills Regional Waste Management Authority	231	491	137	104	481
<b>Totals</b>	<b>231</b>	<b>491</b>	<b>137</b>	<b>104</b>	<b>481</b>

## Rural City of Murray Bridge

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

### Note 19. Equity Accounted Council Businesses

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\$ '000

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#### (e) Share of Joint Ventures Revenues, Expenses & Results

	2014			2013		
	Revenues	Expenses	Result	Revenues	Expenses	Result
Adelaide Hills Regional Waste Management Authority	976	1,073	(97)	1,297	1,026	271
<b>Totals</b>	<b>976</b>	<b>1,073</b>	<b>(97)</b>	<b>1,297</b>	<b>1,026</b>	<b>271</b>

#### (ii) ASSOCIATED ENTITIES

Council has no interest in any Associated Entities.

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

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

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

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

**1. LAND UNDER ROADS**

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

At reporting date, Council controlled 994 km of road reserves of average width 7.4 metres.

**2. POTENTIAL INSURANCE LOSSES**

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

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

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

**3. BANK GUARANTEES**

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$220,000 (2013: \$220,000) at reporting date.

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

**4. LEGAL MATTERS**

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council did not have any appeals against planning decisions made prior to reporting date.

**5. CARBON TAX**

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

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

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

## Rural City of Murray Bridge

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

#### Note 22. Events after the Balance Sheet Date

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Events that occur after the reporting date of 30 June 2014, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of the signed Certification of Financial Statements as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 29/10/14.

Council is aware of the following "non adjusting events" that merit disclosure;

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

# Rural City of Murray Bridge

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

### Note 23. Segment Reporting

\$ '000	Notes	2014 Total Council	2014 Total Lerwin	2014 Council Other
<b>INCOME STATEMENT</b>				
<b>Operating Income</b>				
Rates	2a	18,613	-	18,613
Statutory Charges	2b	587	-	587
User Charges	2c	2,277	1,653	624
Grants, Subsidies and Contributions	2g	6,950	4,267	2,683
Investment Income	2d	145	8	137
Reimbursements	2e	313	32	281
Other Income	2f	617	16	601
<b>Total Operating Income</b>		<b>29,502</b>	<b>5,976</b>	<b>23,526</b>
<b>Operating Expenses</b>				
Employee Costs	3a	13,480	4,058	9,422
Materials, Contracts & Other Expenses	3b	11,202	1,675	9,528
Depreciation, Amortisation & Impairment	3c	6,081	184	5,897
Finance Costs	3d	618	100	519
Net loss - Equity Accounted Council Businesses	19	97	-	97
<b>Total Operating Expenses</b>		<b>31,478</b>	<b>6,017</b>	<b>25,461</b>
<b>Operating Surplus / (Deficit)</b>		<b>(1,976)</b>	<b>(41)</b>	<b>(1,935)</b>
<b>Capital Revenues</b>		<b>2,650</b>	<b>-</b>	<b>2,650</b>
<b>Net Surplus / (Deficit)</b>		<b>674</b>	<b>(41)</b>	<b>715</b>
<b>BALANCE SHEET</b>				
<b>Assets</b>				
Current Assets	5 & 20	8,390	1,045	7,345
Infrastructure, Property, Plant & Equipment	7a	254,995	7,982	247,013
Other Non-Current Assets	6	1,586	-	1,586
<b>TOTAL ASSETS</b>		<b>264,971</b>	<b>9,027</b>	<b>255,944</b>
<b>Liabilities</b>				
Current Liabilities	8 & 20	8,692	949	7,743
Non-Current Liabilities	8	7,325	2,137	5,188
<b>TOTAL LIABILITIES</b>		<b>16,017</b>	<b>3,086</b>	<b>12,931</b>
<b>Net Assets</b>		<b>248,954</b>	<b>5,941</b>	<b>243,013</b>

\* **Note:** References to Lerwin in this GPFR document refers to the residential aged care service provided by Council

# Rural City of Murray Bridge

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

## Note 24. Council Information & Contact Details

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### Principal Place of Business:

2 Seventh Street  
MURRAY BRIDGE SA 5253

### Contact Details

#### Mailing Address:

PO Box 421  
MURRAY BRIDGE SA 5253

#### Opening Hours:

Monday to Friday  
8.30am to 4.45pm (excluding public holidays)

**Telephone:** 08 8539 1100

**Facsimile:** 08 8532 2766

**Internet:** [www.murraybridge.sa.gov.au](http://www.murraybridge.sa.gov.au)

**Email:** [council@murraybridge.sa.gov.au](mailto:council@murraybridge.sa.gov.au)

### Officers

#### CHIEF EXECUTIVE OFFICER

Peter Bond

### Elected Members

#### MAYOR

Allan Arbon OAM

#### COUNCILLORS

Bob England

Barry Lausch

June Phillips

Clem Schubert

Sharon Secker

Keith Simmons

Fred Toogood

Theo Weinmann

Jerry Wilson

### AUDITORS

Galpins

Accountants, Auditors & Business Consultants

### Other Information

**ABN:** 90 501 266 817



Accountants, Auditors  
& Business Consultants

Laurie Galpin FCPA  
David Chant FCPA  
Simon Smith FCPA  
David Sullivan CPA  
Jason Seidel CA  
Renaë Nicholson CA  
Tim Muhlhausler CA  
Aaron Coonan CA  
Luke Williams CPA

Mount Gambier  
233 Commercial Street West  
PO Box 246, Mount Gambier SA 5290  
DX 29044  
p 08 8725 3068  
f 08 8724 9553  
e admin@galpins.com.au

Stirling  
Unit 4/3-5 Mount Barker Road  
PO Box 727, Stirling SA 5152  
p 08 8339 1255  
f 08 8339 1266  
e stirling@galpins.com.au

Norwood  
3 Kensington Road  
PO Box 4067, Norwood South SA 5067  
p 08 8332 3433  
f 08 8332 3466  
e norwood@galpins.com.au

w www.galpins.com.au

ABN 30 630 511 757

Liability limited by a scheme approved  
under Professional Standards Legislation

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RURAL CITY OF MURRAY BRIDGE

### Report on the Financial Report

We have audited the accompanying financial report of the Rural City of Murray Bridge, which comprises the balance sheet as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of the Rural City of Murray Bridge.

### Council's Responsibility for the Financial Report

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements 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 Council's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

### Independence

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

### **Audit Opinion**

In our opinion, the financial report of the Rural City of Murray Bridge for the year ended 30 June 2014 is properly drawn up:

- (a) so as to give a true and fair view of:
  - (i) the Council's state of affairs as at 30 June 2014 and its operating result and cash flows for the year ended on that date; and
  - (ii) the other matters required by Division IV of the Local Government Act 1999 to be dealt with in the accounts;
- (b) in accordance with the provisions of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011; and
- (c) in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

### **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**



**Tim Muhlhausler**, CA Registered Company Auditor  
Partner

03 / 11 / 2014

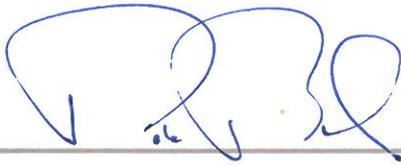
## Rural City of Murray Bridge

### General Purpose Financial Statements for the year ended 30 June 2014

### Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Rural City of Murray Bridge for the year ended 30 June 2014, the Council's Auditor, Galpin Accountants has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act

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



Peter Bond  
**CHIEF EXECUTIVE OFFICER**



Peter Brass  
**PRESIDING MEMBER, AUDIT COMMITTEE**

Date: 29<sup>th</sup> October 2014

## Rural City of Murray Bridge

### General Purpose Financial Statements for the year ended 30 June 2014

#### Statement by Auditor

I confirm that, for the audit of the financial statements of Rural City of Murray Bridge for the year ended 30 June 2014, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act

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



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Timothy Muhlhausler  
Galpins Accountants, Auditors and Business Consultants

Dated this 29th day of October 2014.

ADELAIDE HILLS REGION  
WASTE MANAGEMENT AUTHORITY

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# *Annual Report 2013/2014*



*The Rural City of*  
**MURRAY  
BRIDGE**

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

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Cr. Barry Laubsch – Chair AHRWMA

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

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

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

**ADELAIDE HILLS REGION  
WASTE MANAGEMENT AUTHORITY**

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**THE BOARD**

**District Council of Mt Barker**



Lyn Stokes (Deputy Chairperson)  
Councillor

**Alexandrina Council**



Simon Grenfell  
GM, Engineering & Open Space

**Adelaide Hills Council**



Ian Bailey  
Councillor

**Rural City of Murray Bridge**



Peter Bond  
Chief Executive Officer



David Peters  
GM, Corporate Services



Alan Oliver  
Councillor



Andrew Aitken  
Chief Executive Officer



Barry Laubsch (Chairperson)  
Councillor



Simon Westwood  
Councillor  
Deputy Board Member



Madeleine Walker  
Councillor  
Deputy Board Member



Marc Salver  
Deputy Board Member



Bob England  
Councillor  
Deputy Board Member

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

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## THE VISION

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

## THE MISSION

- *To meet the Zero Waste SA Resource Recovery Targets across the region where economically and environmentally justified.*
- *To continue to develop and manage the Authority's landfill as an EPA compliant model regional landfill that provides the most cost effective disposal option for Member Councils and commercial customers.*
- *To educate the regional community on responsible waste choices that enhance and maintain their environment.*

## THE OBJECTIVES

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

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

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

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## SUMMARY OF 2013-14

Some of the highlights for this year include:

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

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

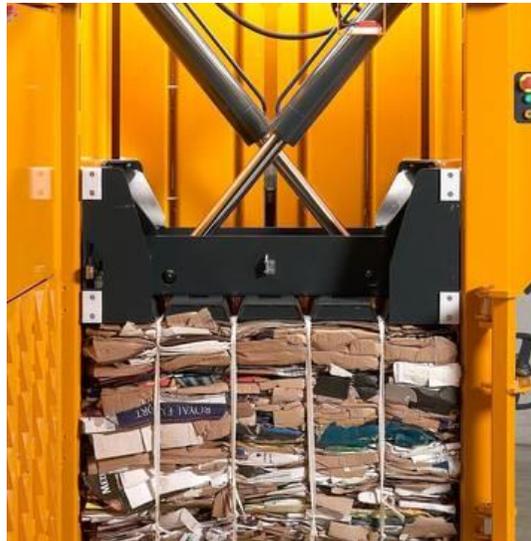
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crushing project and some minor site fencing and safety rail works. This is a further improvement of \$75,000 per annum. The concrete crushing project produced approximately 11,000 tonnes of recycled select rubble which was used by Adelaide Hills Council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

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



Construction & Demolition Resource Recovery



Baling Cardboard and Plastics for Recycling



Sorting Plant and Brinkley for Cardboards and Plastics

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

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New Weighbridge Processing System  
installed at Windmill Hill Transfer Station



New Facilities at Brinkley Landfill and Transfer Station



New Mobile Baling Plant for Cardboard and Plastics

# Adelaide Hills Region Waste Management Authority

## General Purpose Financial Reports for the year ended 30 June 2014

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**Adelaide Hills Region Waste Management Authority**

**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 30 June 2014

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

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

**Adelaide Hills Region Waste Management Authority**

**STATEMENT OF FINANCIAL POSITION  
as at 30 June 2014**

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

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

# Adelaide Hills Region Waste Management Authority

## STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2014

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

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

# Adelaide Hills Region Waste Management Authority

## STATEMENT OF CASH FLOWS for the year ended 30 June 2014

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

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

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

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

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

### **1 Basis of Preparation**

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

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

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

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

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

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

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

#### **1.4 Rounding**

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

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

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

### **3 Income recognition**

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

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

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

Note 1 - Significant Accounting Policies (cont)

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

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

Receivables are generally unsecured and do not bear interest.

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policy applied to financial instruments forms part of Note 11.

**5 Inventories**

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

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

**6.1 Initial Recognition**

All assets are initially recognised at cost.

All non current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

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

**6.2 Materiality**

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are as follows. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Road Construction & Reconstruction	\$10,000
Paving & Footpaths, Kerb & Gutter	\$2,000

**6.3 Subsequent Recognition**

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

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

Note 1 - Significant Accounting Policies (cont)

**6.4 Depreciation of Non-Current Assets**

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

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

<u>Plant, Furniture &amp; Equipment</u>	
Office Equipment	5 years
Other Plant & Equipment	5 years
<u>Infrastructure</u>	
Unsealed Roads	15 years
Fencing	15 years
Water Tanks	30 years
Litter Fence	5 years
Pumps	5 years
Monitor Bore	10 years
Buildings	20 years
Roads	25 years

Cell construction expenditure for this year has been capitalised and will be amortised over the estimated life of the cell. Any further expenditure on the cell to complete its useful life will be amortised over that remaining life.

**6.5 Impairment**

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

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

**6.6 Borrowing Costs**

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with the allowed alternative treatment in AASB 1023. The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

**7 Payables**

**7.1 Goods & Services**

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

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

Note 1 - Significant Accounting Policies (cont)

**7.2 Payments Received in Advance & Deposits**

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

**8 Borrowings**

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

**9 Employee Benefits**

**9.1 Salaries, Wages & Compensated Absences**

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

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

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

**9.2 Superannuation**

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

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

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

**10 Construction Contracts**

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

**11 Joint Ventures and Associated Entities**

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

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

Note 1 - Significant Accounting Policies (cont)

**12 Leases**

*The Authority does not have any leases.*

**13 GST Implications**

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

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

**14 Pending Accounting Standards**

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

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

**15 Rehabilitation**

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

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustment to the liability as required ensuring an accurate projected cost of the liability is showing in the Statement of Financial Position. The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified.

**16 Carbon**

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

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

# Adelaide Hills Region Waste Management Authority

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

### Note 2 - INCOME

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

# Adelaide Hills Region Waste Management Authority

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

### Note 3 - EXPENSES

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

## Adelaide Hills Region Waste Management Authority

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

#### Note 3 - EXPENSES (cont)

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

# Adelaide Hills Region Waste Management Authority

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

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

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

# Adelaide Hills Region Waste Management Authority

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

### Note 5 - CURRENT ASSETS

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

## Adelaide Hills Region Waste Management Authority

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

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

*This Note continues on the following page.*

## Adelaide Hills Region Waste Management Authority

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

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

# Adelaide Hills Region Waste Management Authority

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

### Note 7 - LIABILITIES

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

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

### PROVISIONS

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

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

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

# Adelaide Hills Region Waste Management Authority

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

### Note 8 - RESERVES & EQUITY

#### DISTRIBUTION SHARE OF SURPLUS/(DEFICIT)

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

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

Distribution in accordance with the above percentages

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

#### DISTRIBUTION SHARE OF EQUITY

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

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

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

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

**Distribution to Councils** - (150,000)

**TOTAL EQUITY AT END OF REPORTING PERIOD** 2,216,334 2,620,526

# **Adelaide Hills Region Waste Management Authority**

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

## **Note 9 - ASSETS SUBJECT TO RESTRICTIONS**

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

# Adelaide Hills Region Waste Management Authority

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

### Note 10 - RECONCILIATION TO CASH FLOW STATEMENT

#### (a) Reconciliation of Cash

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

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

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

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

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

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

#### (d) Financing Arrangements

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

Bank Overdrafts	<b>450,000</b>	450,000
Loan Facilities - Outstanding Principle	-	-
Corporate Credit Cards	<b>6,000</b>	6,000

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

# Adelaide Hills Region Waste Management Authority

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

### Note 11 - FINANCIAL INSTRUMENTS

#### Recognised Financial Instruments

<b>Bank, Deposits at Call</b>	<b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned. <b>Terms &amp; conditions:</b> Deposits at call have an average maturity of 90 days and an average interest rates of 2.50% (2013: 90 days, 2.90%). <b>Carrying amount:</b> Approximates fair value due to the short term to maturity.
<b>Receivables - Fees &amp; other charges</b>	<b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. <b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries. <b>Carrying amount:</b> Approximates fair value (after deduction of any allowance).
<b>Liabilities - Creditors and Accruals</b>	<b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority. <b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms. <b>Carrying amount:</b> Approximates fair value.
<b>Liabilities - Interest Bearing Borrowings</b>	<b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues. <b>Terms &amp; conditions:</b> Secured over future revenues, borrowings are repayable by biannual instalments of principle and interest. <b>Carrying amount:</b> Approximates fair value.
<b>Liabilities - Overdraft</b>	<b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues. <b>Terms &amp; conditions:</b> Secured over future revenues interest is charged at an average variable rate of 4.75%. <b>Carrying amount:</b> Approximates fair value.

# Adelaide Hills Region Waste Management Authority

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

### Note 11 (cont) - FINANCIAL INSTRUMENTS

#### Liquidity Analysis

2014	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash & Equivalents	192,437			192,437	192,437
Receivables	629,817	-	-	629,817	629,817
<b>Total</b>	<b>822,254</b>	<b>-</b>	<b>-</b>	<b>822,254</b>	<b>822,254</b>
<b>Financial Liabilities</b>					
Payables	577,676	-	-	577,676	577,676
Current Borrowings	-	427,000	-	427,000	427,000
<b>Total</b>	<b>577,676</b>	<b>427,000</b>	<b>-</b>	<b>1,004,676</b>	<b>1,004,676</b>

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

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

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

#### Net Fair Value

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

#### Risk Exposures

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

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

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

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

# **Adelaide Hills Region Waste Management Authority**

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

### **Note 12 - COMMITMENTS FOR EXPENDITURE**

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

### **Note 13 - OPERATING LEASES**

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

### **Note 14 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED**

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

### **Note 15 - EVENTS OCCURING AFTER REPORTING DATE**

There were no events subsequent to 30 June 2014 that need to be disclosed in the financial statements.

# Adelaide Hills Region Waste Management Authority

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

### Note 16 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a simplified Uniform Presentation Framework basis.

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

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

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

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

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

***The Responsibility of the Chief Executive Officer for the Financial Report***

The Chief Executive Officer of the Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

***Auditor's Responsibility***

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

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

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

**Independence**

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

**Auditor's Opinion**

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

**DEAN NEWBERY & PARTNERS  
CHARTERED ACCOUNTANTS**



**SAMANTHA ALLARD  
PARTNER**

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

# Adelaide Hills Region Waste Management Authority

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2014

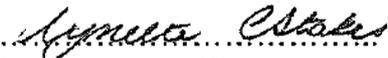
### CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by Adelaide Hills Region Waste Management Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2014 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



.....  
Michael Lorenz  
EXECUTIVE OFFICER



.....  
Councillor Lyn Stokes  
Deputy CHAIR PERSON

Date:

8/8/14

**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2014**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2014, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

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



Andrew Aitken  
**CHIEF EXECUTIVE OFFIER**  
Adelaide Hills Council

Date: 16 July 2014.

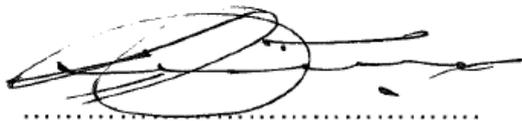
# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2014

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2014, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

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



.....  
Peter Dinning  
**CHIEF EXECUTIVE OFFICER**  
Alexandrina Council

Date: 14 July 2014

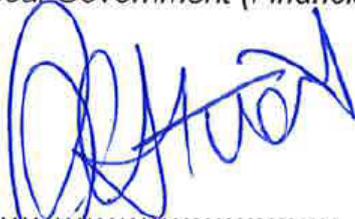
**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2014**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2014, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

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



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

Date:

28/7/14

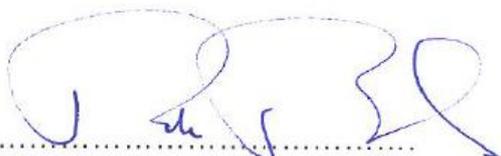
**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2014**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2014, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

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



.....  
Peter Bond

**CHIEF EXECUTIVE OFFICER**  
Rural City of Murray Bridge

Date: 7 July 2014

**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2014**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of The Adelaide Hills Region Waste Management Authority for the year ended 30 June 2014, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....  
M.Lorenz  
**EXECUTIVE OFFICER**



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

Date: 21-7-14

## **Certification of Auditor's Independence**

I confirm that, for the audit of the financial statements of the Adelaide Hills Region Waste Management Authority for the year ended 30 June 2014, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



**SAMANTHA ALLARD**

**Partner**

**DEAN NEWBERY & PARTNERS**  
**CHARTERED ACCOUNTANTS**

**Dated this 12<sup>th</sup> day of August 2014**



The Murray and Mallee  
Local Government Association

THE MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

# ANNUAL REPORT 2013-2014



## Comprising:

**Berri Barmera Council**

**District Council of Karoonda East Murray**

**Mid Murray Council**

**Renmark Paringa Council, and the**

**Coorong District Council**

**District Council of Loxton Waikerie:**

**Rural City of Murray Bridge**

**Southern Mallee District Council**



President, Mayor David Burgess.

This being my second term as President of the Association, I have the greatest of pleasure in providing the following President's Annual report for the period 2013 to 2014.

This Report focuses on the activities undertaken, and as outlined in the Association's Annual Business Plan 2013-2014.

I am continually proud of the Association's achievements and increase in public awareness and profile over the past year, especially addressing the number of new and emerging issues that affect local government and the community.

The Association has focused on the fostering of partnership approaches to regional issues and projects and the lobbying for the benefit of our regional communities.

The following provides a snapshot of the key activities undertaken:

- Completion of the Murray and Mallee Regional Public Health Plan.
- Completion of the strategic 2030 Regional Transport Plan.
- Finalisation of the Murray and Mallee region chapter of the "Making Regions Matter" Election Platform document.
- Achievement of the review of the Association's Charter for a Regional Subsidiary.
- Undertaking community consultation and subsequent preparation on the region's Annual Priorities Report document seeking partnership arrangements to further the aims of the Report.

During the year the Association has undertaken actions, including:

- Lifting of the ban on fishing for catfish in the River Murray,

- Provision of assistance and local government representation with the NRM Board on the Integrated Vulnerability Assessment project, with the completion of Phase 2 of the project and distribution of the draft Sector Agreement,
- Commencement of the pilot Murraylands Councils Video Conferencing Project,
- Collation of Member Councils' Special Local Roads Funding Applications with Association recommendations to the Local Government Transport Advisory Panel,
- Ensuring that a review of Community Transport arrangements was included in the State Government's Integrated Transport and Land Use Plan,
- Furthering of Resource Sharing Initiatives between Member Councils,
- Gained State Government commitment for planned River Murray Ferry replacements,
- Facilitated Member Councils' direct representational input into planned changes to offset planting costs under the Native Vegetation Act,
- Facilitation of changes to Council memberships to the Murray Darling Association.

The Association continues to be vitally involved with:

- The Murray Darling Basin Plan and funding issues around the River Murray water flow operations,
- Regional submission for the Special Local Roads Program, this year providing \$1.897m in funding availability,
- Councils' facilitation of the NBN Co rollout and for the provision of Council land for fixed wireless towers,

During the year the Association resolved to undertake the following submissions to the SAROC Committee, being the regional Councils' advisory Committee to the Local Government Association of SA Board, as well as directly to the SA State Government:

- Association response to the "Statement for Regional SA" – Minister Gail Gago, MLC.
- Dept. of Premier and Cabinet requesting equity provisions for Cabinet submissions for Recreation and Sport funding.
- SAROC Submissions:

Employee Sick Leave

Council requirements for financial contribution for street lighting on State Government controlled roads

Governmental and economic funding support for regional SA

Councils' Risk Assessment and the Financial Impost on Councils

Recycling of used tyres

Work load imposed on Councils due to changes in the Public Health Act

Rural Road Speed Limits

Maintenance of Murray River Markers and navigable channels  
ICAC submission re Elected Members Code of Conduct  
CFS requirements for Large Farm Sheds  
State Government's contravention of the SA Government/LGA Memorandum of Understanding  
Regional Mobile Phone Coverage

The Association has provided support for the following external Committees:

- The Murray and Mallee Integrated Vulnerability Assessment Committee
- The Murray and Mallee Zone Emergency Management Committee including provision of the Chair
- The Catfish Project Committee

I again take this opportunity to sincerely thank Vice President Mayor Peter Hunt, Mayor Leon Stasinowsky (as proxy) for being Delegates to the SAROC Committee and the LGA State Executive Committee (now termed the LGA Board) and all other Member Council Mayors, Delegates, both past and present, Member Council CEO's and staff, all of whom have provided local government representation to the Association, internal and external committees and working parties.

Timely information has again been provided to the Association from the Local Government Association of SA. I especially recognise the efforts of both Wendy Campana and Chris Russell. These efforts have been mirrored by the PIRSA by the regular reports provided by both Bengy Paolo and Tim Smythe. I recognise their support, advice and well researched information provided.

I thank our CEO Peter Campbell for his continued commitment and support provided to me and the Association over the past year. He has provided continual effective services to the Association despite increased family health pressures.

I have a growing sense of pride about the achievements and undertakings of the Association during this second term as President and thank all Member Councils and Delegates for the opportunity afforded to me being your President again for the past year.



Mayor David Burgess,  
President 2013-2014  
Murray and Mallee Local Government Association.



## **ASSOCIATION PRESIDENCY.**

Mayor David Burgess, Mid Murray Council was elected President at the Annual General Meeting held at Tailem Bend on the 1<sup>st</sup> June, 2012 and Mayor Peter Hunt, Berri Barmera Council was elected Vice President both for a full annual term of office. In accordance with the provisions of the Association's Charter for a Regional Subsidiary, the office holders retain their positions until the first meeting of the Association following the November, 2014 Local Government Elections.

## **REPRESENTATION: LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA (LGA SA).**

Mayor David Burgess and Mayor Peter Hunt served on the LGA Board (previously termed the State Executive of the Local Government Association of South Australia), with Mayor Leon Stasinowsky, District Council of Loxton Waikerie, as proxy.

## **ASSOCIATION: CHIEF EXECUTIVE OFFICER SERVICES.**

The Chief Executive Officer services for the Association for the year were again provided by Peter Campbell.

In accordance with a resolution of Member Council Delegates, the Chief Executive Officer underwent performance review process in April, 2014, coinciding with the production of the Association's draft 2014-2015 Annual Business Plan and draft 2014-2015 Budget.

The Review Panel consists of the President and Vice-President of the Association, Russell Peate, CEO, Mid Murray Council and Peter Bond, CEO of the Rural City of Murray Bridge. The Association has noted that satisfactory Chief Executive Officer service has been provided and extended the Contract of Service to December, 2014.

## **CONSTITUTIONAL STRUCTURE OF THE ASSOCIATION.**

The Association operated as a Regional Subsidiary under the transitional provisions of the Local Government Act 1999 until December, 2001 with a formal Charter, agreed to by Member Councils, becoming effective on the 13th December, 2001.

Under the provisions of the Local Government Act 1999, a review of the Association's Charter took place during the year. The revised Charter can be viewed on the Association's website at [www.mmlga.sa.gov.au](http://www.mmlga.sa.gov.au)

## **THE PURPOSE OF THE ASSOCIATION.**

As a Regional Subsidiary of the Member Councils, the Association has as its governing document, the Charter gazetted on the 8<sup>th</sup> February, 2007 (reviewed 2011) as provided for under the Local Government Act 1999. The purpose for which the Association has been established is to:

- work with the Local Government Association of South Australia in achieving its aims and objectives;
- assist in the coordination of resource sharing between Constituent Councils, other Councils, State Government Departments and Agencies to reduce costs and increase operational efficiencies;
- associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest;
- undertake coordination, advocacy and representation roles for its Constituent Councils at a regional level;
- facilitate and coordinate activities of local government at a regional level related to community and economic development with the object of achieving continual improvement for the benefit of the communities of the Constituent Councils;
- develop, encourage, promote, foster and maintain consultation and cooperation with other levels of government, private enterprise and the community;
- strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;
- develop further cooperation between the Constituent Councils for the benefit of the Communities in 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; and
- undertake projects that benefit the region and its communities.

## **ASSOCIATION MEETINGS.**

During 2013-2014, the Association has met bi-monthly General Meetings, convened on:

7th June, 2013 - Annual General Meeting - at the Berri Barmera Council Chamber, 19 Wilson Street, Berri - the Berri Barmera Council as host.

2nd August, 2013 - General Meeting - at the Tailem Bend Town Hall, 93A Railway Terrace, Tailem Bend - the Coorong District Council as host.

4th October, 2013 - General Meeting - at the District Council of Karoonda East Murray Council Chamber - the District Council of Karoonda East Murray as host.

6th December, 2013 - General Meeting - at the District Council of Loxton Waikerie Council Chamber, East Terrace, Loxton - the District Council of Loxton Waikerie as host.

7th February, 2014 - General Meeting - at the Mid Murray Council Meeting Room, 49 Adelaide Road, Mannum - the Mid Murray Council as host.

4th April, 2014 - General Meeting - at the District Council of Karoonda East Murray Council Chamber - the District Council of Karoonda East Murray and the Karoonda Farm Fair as hosts.

6th June 2014 – Annual General Meeting – at the Renmark Paringa Community and Civic Centre, 61 Eighteenth Street, Renmark as host

All Association Meetings, including Committee Meetings' Agendas and Minutes are available for viewing and or downloading from the Association's website at [www.mmlga.sa.gov.au](http://www.mmlga.sa.gov.au)

A number of guest speakers and attendees have made presentations/addresses to the Association meetings throughout the year. They include:

- Senator Simon Birmingham,
- Hon. Bruce Lander, QC, Independent Commissioner against Corruption,
- Sue Filby, General Manager Customer Relations and Alexandra Lewis, SA Power Networks,
- Chris Gregory, NBN Co.,
- Ray Najer, now past General Manager, Murray Darling Association,
- Sharon Starick, Presiding Member and Rod Ralph, Board Member, SA MDB NRM Board,
- Danny Broderick, SA Dept. Of Health,
- Glen Jones, General Manager, Boating Industry of SA, and
- Rob Edwards, Local Government Workers Compensation Scheme.

Representatives of both the LGA and PIRSA attended each meeting and took the opportunity to brief the Association of the relevant matters being addressed by their respective bodies.

We acknowledge the support of Wendy Campana, Executive Director, and Chris Russell, LGA SA and Tim Smythe, PIRSA who have been ready to assist the region and ensure that the LGA SA and PIRSA have a presence at our meetings. The Association has also enjoyed a close working relationship with its State and Federal Members of Parliament, a number of whom have been regular attendees at our meetings.

The President has continued the practice of giving each of our guests the opportunity to address our meetings briefly about matters and issues before them that may be of interest to the Association and Member Councils. The contribution from all of the speakers, presenters and guests has kept the Association and the Delegates abreast of a wide ranging number of issues that impact on Local Government and the communities in the Region.

## MEMBER COUNCIL DELEGATES TO THE ASSOCIATION.

The following are the current Delegates representing Member Councils as at the AGM of the 6<sup>th</sup> June, 2014:

**Berri Barmera Council (BBC):** Mayor Peter Hunt, Vice President, Deputy Mayor Vicki Beech and David Beaton, CEO (proxy).

**Coorong District Council (CDC):** Mayor Roger Strother, Cr. Sharon Bland (proxy) and Deputy Mayor Peter Wright (proxy).

**District Council of Karoonda East Murray (DCKEM):** Mayor Kevin Burdett, Peter Smithson, CEO and Deputy Mayor Colin Zadow (proxy).

**District Council of Loxton Waikerie (DCLW):** Mayor Leon Stasinowsky, Peter Ackland, CEO and Deputy Mayor Mark Ward (proxy).

**Mid Murray Council (MMC):** Mayor David Burgess, President, Deputy Mayor Kevin Myers, Cr. Inez Bormann (proxy), Russell Peate, CEO (proxy) and Robin Bourne, Deputy CEO, (proxy).

**The Rural City of Murray Bridge (RCMB):** Mayor Allan Arbon, OAM, Deputy Mayor Barry Laubsch, Cr. Jerry Wilson, (proxy) and Peter Bond, CEO (proxy).

**District Council of Renmark Paringa (RPC):** Mayor Neil Martinson, Deputy Mayor Peter Hunter, Tony Siviour, CEO (proxy) and Nathan Haynes, Director Corporate and Community Services (proxy).

**Southern Mallee District Council (SMDC):** Mayor Robert Sexton, Deputy Mayor Brian Toogood and Anthony Renshaw, CEO (proxy).

## ASSOCIATION COMMITTEE MEMBERSHIPS.

The following were the Association Committee Members up until the AGM of the 6<sup>th</sup> June, 2014:

### **LGA Board:**

President, Mayor David Burgess, Mid Murray Council (*by virtue of position held*).

Vice President, Mayor Peter Hunt, Berri Barmera Council (*by virtue of position held*).

Proxy for President or Vice President, Mayor Leon Stasinowsky, District Council of Loxton Waikerie.

### **South Australian Regional Organisation of Councils (SAROC):**

President, Mayor David Burgess, Mid Murray Council (*by virtue of position held*).

Vice President, Mayor Peter Hunt, Berri Barmera Council (*by virtue of position held*).

Proxy for President and or Vice President, Mayor Leon Stasinowsky, District Council of Loxton Waikerie.

CEO M&MLGA - Peter Campbell (*by virtue of position held*).

### **Regional Development Australia (Murraylands and Riverland) Board.**

Deputy Mayor Barry Laubsch - Rural City of Murray Bridge.

President, Mayor David Burgess - Mid Murray Council.

Mayor Neil Martinson - Renmark Paringa Council.

Cr. Trevor Norton, District Council of Loxton Waikerie.

### **SA MDB NRM Board.**

Cr. Andrew Kassebaum, Berri Barmera Council.

**Murray and Mallee Local Government Association Regional Waste Management Strategy Committee:**

President M&MLGA as Chair, Mayor David Burgess.

Deputy Mayor Barry Laubsch, Rural City of Murray Bridge.

Tony Siviour, CEO, Renmark Paringa Council. *(by virtue of position held)*

David Mosel, Asset Manager, Coorong District Council.

Brenton Lewis, CEO Murraylands Regional Development Board.

Mayor Roger Strother, Coorong District Council.

Paul Day, Renmark Paringa Council. *(by virtue of position held)*

Greg Hill, Mid Murray Council. *(by virtue of position held)*

Peter Ackland, CEO, District Council of Loxton Waikerie. *(by virtue of position held)*

Matthew Sherman, Works Manager, Southern Mallee District Council. *(by virtue of position held)*

Peter Smithson, CEO, District Council of Karoonda East Murray - proxy to be advised. *(both by virtue of positions held)*

Greg Perry, Manager Infrastructure Services, Berri Barmera Council. *(by virtue of position held)*

David Beaton, CEO, Berri Barmera Council. *(by virtue of position held)*

Peter Bond, CEO, Rural City of Murray Bridge. *(by virtue of position held)*

Tim Tol, Infrastructure Director, District Council of Loxton Waikerie. *(by virtue of position held)*

Cr. Gordon Hancock, Southern Mallee District Council.

Cr. Trevor Kerley, District Council of Karoonda East Murray.

A representative, Zero Waste SA. (external appointment)

**Murray and Mallee Local Government Association Regional Transport Strategy Committee:**

Mayor Roger Strother, Coorong District Council, Chair

Peter Campbell, CEO, M&MLGA

President, Mayor David Burgess, Mid Murray Council

Paul Day - Renmark Paringa Council

Greg Perry, Manager Infrastructure Services, Berri Barmera Council

Greg Hill, Director, Infrastructure - Mid Murray Council. *(by virtue of position held)*

Tim Tol, Director of Infrastructure - District Council of Loxton Waikerie

Peter Smithson - District Council of Karoonda East Murray (Ron Palm - proxy)

Peter Bond, CEO, Rural City of Murray Bridge (David Allen - proxy)

Matthew Sherman, Southern Mallee District Council

David Mosel, Coorong District Council

Brenton Lewis, Regional Development Australia (Murraylands and Riverland) Board

DTEI (Transport SA) - 2 nominees (external appointment)

**M&MLGA Transport Reference Group. - Community Transport:**

Peter Smithson, CEO, District Council of Karoonda East Murray. *(by virtue of position held)*

Cr. Mike Fuller, Berri Barmera Council.

**Murraylands and Riverland Regional Coordination Network:**

Peter Smithson, CEO, District Council of Karoonda East Murray.

**Murray and Mallee Zone Emergency Management Committee:**

Deputy Mayor Kevin Myers, Mid Murray Council, Chair.

Mayor Peter Hunt, Berri Barmera Council.

Peter Bond, CEO, Rural City of Murray Bridge.

Tim Tol, Director Infrastructure Services, District Council of Loxton Waikerie.

David Mosel, Asset Manager, Coorong District Council.

Harc Wordsworth, Manager, Environment and Planning, Southern Mallee District Council.

Matthew Sherman, Works Manager, Southern Mallee District Council.

**River Murray Ferries Working Group:**

Russell Peate, CEO, Mid Murray Council,

Tony Siviour, CEO, Renmark Paringa Council,

Vincent Cammell, CEO, Coorong District Council,

Dept. of Planning, Transport and Infrastructure representatives.

**Murray and Mallee Annual Priority Working Party:**

Tony Siviour, CEO, Renmark Paringa Council,

Peter Bond, CEO, Rural City of Murray Bridge,  
Russell Peate, CEO, Mid Murray Council,  
Tony Renshaw, CEO, Southern Mallee District Council,  
Mayor Leon Stasinowsky, District Council of Loxton Waikerie,  
Tim Smythe, Regional Manager Murray Mallee, PIRSA.

**Murray and Mallee Regional Public Health Plan Committee:**

Kelvin Goldstone, Mid Murray Council, Chair,  
Caroline Thomas, Mid Murray Council,  
Gary Brinkworth, Berri Barmera Council,  
Harc Wordsworth, Southern Mallee District Council and District Council of Karoonda East Murray,  
Jim Quinn, Coorong District Council,  
Katina Nikas, Renmark Paringa Council,  
Phil Eckert and Clarry Fisher, Rural City of Murray Bridge,  
Stephen Bateman, District Council of Loxton Waikerie.

**EXECUTIVE MEETINGS.**

There were no Executive Meetings held during the year.

**GENERAL ACTIVITIES.**

The Association undertakes a coordinating role, in conjunction with Member Councils, on their issues and those raised by the Local Government Association of South Australia, the community, and other relevant parties' concerns and interests.

State and Federal Members of Parliament representing our Region have been briefed and support has been sought for issues raised.

Submissions and briefings undertaken include:

- Submission for Special Local Roads applications for 2014-2015 funding round.
- Association response to the "Statement for Regional SA" – Minister Gail Gago, MLC.

- Dept. of Premier and Cabinet requesting equity provisions for Cabinet submissions for Recreation and Sport funding.
- SAROC Submissions:

Employee Sick Leave

Council requirements for financial contribution for street lighting on State Government controlled roads

Governmental and economic funding support for regional SA

Councils' Risk Assessment and the Financial Impost on Councils

Recycling of used tyres

Work load imposed on Councils due to changes in the Public Health Act

Rural Road Speed Limits

Maintenance of Murray River Markers and navigable channels

ICAC submission re Elected Members Code of Conduct

CFS requirements for Large Farm Sheds

State Government's contravention of the SA Government/LGA Memorandum of Understanding

Regional Mobile Phone Coverage

The Association has provided support and representation on the following external Committees:

- The Murray and Mallee Integrated Vulnerability Assessment Committee
- The Murray and Mallee Zone Emergency Management Committee including provision of the Chair
- The Catfish Project Committee

The CEO has also attended Forums, Workshops and Briefings throughout the year regarding evolving issues and to make contribution on behalf of the Association. These have included:

- Regional LGA CEO's Briefings (6).
- Native Vegetation Council briefings and consultative workshops (X4)
- I-Vision – Telstra Video Conferencing briefing and demonstration.
- NBN Briefing – Murray Bridge..
- Integrated Vulnerability Assessment Project Workshop.

## **SOUTH AUSTRALIAN REGIONAL ORGANISATION OF COUNCILS (SAROC).**

The President, Mayor David Burgess, Vice President Mayor Peter Hunt, (Mayor Leon Stasinowsky as proxy on occasions) and the Chief Executive Officer have attended SAROC meetings during the year.

The meetings are usually held bi-monthly on the day preceding the meeting of the LGA Board.

SAROC has a Memorandum of Understanding between Regional Local Government Associations and the Local Government Association of South Australia, which was completed in August, 2003.

The Association has provided our regional input into many topics that are relevant to all communities across the State, some of which includes:

- Native Vegetation and Biodiversity
- State Government Integrated Transport and Land Use Strategy for SA
- Rural Property Addressing
- Local Excellence Expert Panel
- Recycling Used Tyres, Used CCA Posts and Irrigation Dripper Lines
- Funding Sport and Recreation
- Risk Assessment and Reduction of Financial Impost on Councils
- Video Conferencing Pilot Project
- Local Government Roads Hierarchy and Transport Strategy
- Public Health Act
- SAROC Federal Election Platform
- Proposed Regional Communities State Election Campaign
- SAROC Agenda and Report Procedures
- Native Vegetation SEB Review
- Regional Waste Management Investigations Report
- Works Rehabilitation Compensation (SAMFS Fire-fighters) Amendment Bill 2013
- Regional Visitor Information Centres
- Consolidation of Major LGA Events
- Integrated Transport Land Use Plan
- 2014 State Election Making Regions Matter
- Rural Speed Limits Review
- Regional Health Plans Update
- Use of Council Resources in Emergency Response Operations
- Mining Round Table EP
- Bushfire Summary - January 2014

- SA Regional Statement
- State Election Update - Making Regions Matter
- Funding for Community Facilities
- Regional Health Plans Update
- Video Conferencing Pilot - Update
- Local Excellence Expert Panel Update
- Regional Waste Management Investigations Update
- Video Conferencing Update
- National Heavy Vehicle Regulations (NHVR)
- Native Vegetation Council
- Local Excellence Expert Panel
- Bushfire Survey Results
- Native Vegetation - SEB Review
- Proposed Change to the Behavioural Code of Conduct Clause 2.25

#### **FINANCIAL STATEMENTS TO 30<sup>TH</sup> JUNE, 2014.**

The audited Financial Statements are included at the rear of this report. Surplus cash flow funds have been deposited with the Local Government Finance Authority and drawn on when and as required.

#### **REGIONAL ENHANCEMENT AND CAPACITY BUILDING.**

The Association acknowledges and thanks the Local Government Research and Development Fund Scheme for their annual 2013-2014 grant of \$37,225 (excl GST) to the Association.

This grant has ensured that the Association has been able to undertake regional enhancement and capacity building projects throughout the year.

#### **INFORMING COUNCILS AND OTHER PARTIES.**

The Minutes of Association General Meetings are produced in an expanded and explanatory form, and includes the full Agenda Item, appendices, detail of deliberations and resolutions. This initiative has received wider and favourable comment.

The Association's website [www.mmlga.sa.gov.au](http://www.mmlga.sa.gov.au) contains a wealth of information on the Association's activities, including all Agendas, Appendices, Minutes for General and Committee Meetings and past Newsletters.

## BEYOND 2014.

General Meetings of the Association will continue to be held during 2014-2015 on the first Friday in the months of August, December, February, April with the Annual General Meeting to be held in June. They will be held throughout the Region, hosted alphabetically by the Member Councils.

At the Annual General Meeting held on the 6<sup>th</sup> June, 2014, the Association endorsed the Annual Business Plan 2014-2015 and the associated Annual Budget. These documents are available to be viewed and downloaded from the Association's website at [www.mmlga.sa.gov.au](http://www.mmlga.sa.gov.au)

The status of the objectives and actions in the Association's Annual Business Plan 2014-2015 will be reviewed half yearly at the December General Meeting and the June Annual General Meeting in accordance with the provisions of the Association's Charter.



### Contact details:

#### **President:**

Mayor David Burgess  
475 Cliff View Drive  
Wongulla SA 5238  
Tel: 8570 8320

#### **Chief Executive Officer:**

Peter Campbell  
65 Underwood Avenue,  
Goolwa Beach. SA 5214.  
PO Box 1014, Goolwa. SA 5214.  
**Tel:** (08) 8555 3929 **Mob:** 0429 862 669  
**Email:** [ceo@mmlga.com.au](mailto:ceo@mmlga.com.au)

# **Murray & Mallee Local Government Association Incorporated**

**Financial Statements**

**For the Year Ended 30 June 2014**

# Murray & Mallee Local Government Association Incorporated

For the Year Ended 30 June 2014

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# Murray & Mallee Local Government Association Incorporated

## Statement of Profit and Loss and Other Comprehensive Income

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
MBM LGA contributions	2	180,578	102,914
Regional enhancement fund grant	2	37,225	36,424
Interest received	2	3,717	4,556
Other income	2	-	4,728
		<u>221,520</u>	<u>148,622</u>
Other operating expenses	3	<u>(208,808)</u>	<u>(132,853)</u>
<b>Surplus (deficit) for the year</b>		<b>12,712</b>	<b>15,769</b>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income (loss)</b>		<b><u>12,712</u></b>	<b><u>15,769</u></b>

The accompanying notes form part of these financial statements

# Murray & Mallee Local Government Association Incorporated

## Statement of Financial Position

As At 30 June 2014

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	115,004	90,164
Trade and other receivables	5	<u>3,599</u>	<u>3,600</u>
<b>Total current assets</b>		<u>118,603</u>	<u>93,764</u>
<b>TOTAL ASSETS</b>		<u>118,603</u>	<u>93,764</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	6	<u>14,527</u>	<u>2,400</u>
<b>Total current liabilities</b>		<u>14,527</u>	<u>2,400</u>
<b>TOTAL LIABILITIES</b>		<u>14,527</u>	<u>2,400</u>
<b>NET ASSETS</b>		<u>104,076</u>	<u>91,364</u>
<b>EQUITY</b>			
Accumulated surplus		53,528	53,184
Unspent funds reserve	7	<u>50,548</u>	<u>38,180</u>
<b>TOTAL EQUITY</b>		<u>104,076</u>	<u>91,364</u>

The accompanying notes form part of these financial statements

# Murray & Mallee Local Government Association Incorporated

## Statement of Changes in Equity

For the Year Ended 30 June 2014

### 2014

		Unspent Funds Reserve	Accumulated Surplus	Total
	Note	\$	\$	\$
Balance at 1 July 2013		38,180	53,184	91,364
Surplus for the year		-	12,712	12,712
Transfers to/from accumulated surplus	7	12,368	( 12,368)	-
Balance at 30 June 2014		<u>50,548</u>	<u>53,528</u>	<u>104,076</u>

### 2013

		Unspent Funds Reserve	Accumulated Surplus	Total
	Note	\$	\$	\$
Balance at 1 July 2012		27,946	47,649	75,595
Surplus for the year		-	15,769	15,769
Transfers to/from accumulated surplus	7	10,234	( 10,234)	-
Balance at 30 June 2013		<u>38,180</u>	<u>53,184</u>	<u>91,364</u>

The accompanying notes form part of these financial statements

# Murray & Mallee Local Government Association Incorporated

## Statement of Cash Flows

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
<b>Cash from operating activities:</b>			
Receipts from members		180,579	102,914
Receipts from grants		37,225	36,424
Other income		-	4,728
Interest received		3,717	4,568
Payments to suppliers		<u>(196,681)</u>	<u>(132,553)</u>
<b>Net cash provided from operating activities</b>	8	<u>24,840</u>	16,081
<b>Net increase in cash held</b>		24,840	16,081
Cash at beginning of financial year		<u>90,164</u>	<u>74,083</u>
<b>Cash at end of financial year</b>	4	<u>115,004</u>	<u>90,164</u>

The accompanying notes form part of these financial statements

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

**Structure:** The financial report covers Murray & Mallee Local Government Association Incorporated (the "Association") as an individual entity. Murray & Mallee Local Government Association Incorporated is an association incorporated in South Australia under the Associations Incorporations Act (SA) 1985.

### 1 Summary of Significant Accounting Policies

#### Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Associations Incorporation Act (SA) 1985. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on \_\_\_\_\_ by the members of the committee.

#### Accounting Policies

##### (a) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

##### (b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

##### (c) Income taxes

The activities of the Association are exempt from taxation under the Income Tax Assessment Act 1997.

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### (d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

### (e) Financial Instruments

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

#### Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of income or expense in profit or loss.

The association does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### (e) Financial Instruments (continued)

#### (i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (i.e. gains or losses) being recognised in profit or loss.

#### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

#### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

#### (iv) Available-for-sale financial assets

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

#### (v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### (e) Financial Instruments (continued)

#### Impairment

At the end of each reporting period, the association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") that has occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, indications that they will enter bankruptcy or other financial re-organisation and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the writing off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

#### Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### (f) Impairment of assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

### (g) Revenue

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

### (h) Trade and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### (i) Trade and other receivables

These include amounts due from ATO and accrued interest on deposits in financial institutions. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment

### (j) Critical Accounting Estimates and Judgments

#### Key estimates

##### *(i) Impairment - general*

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 2 Revenue

	2014	2013
	\$	\$
Interest received	3,717	4,556
<b>MBM LGA contributions</b>		
Berri Baramba Council	26,649	15,849
Coorong District Council	19,339	10,497
DC of Karoonda East Murray	12,591	5,557
DC of Loxton Waikerie	27,914	16,775
Mid Murray Council	22,150	12,556
The Rural City of Murray Bridge	33,678	20,994
DC of Renmark Paringa	24,259	14,099
Southern Mallee DC	<u>13,998</u>	<u>6,587</u>
<b>Total MBM LGA contributions</b>	<b>180,578</b>	102,914
Regional Enhancement Fund Grant	37,225	36,424
Income from RISE economic model and other		<u>4,728</u>
<b>Total Revenue</b>	<b><u>221,520</u></b>	<u>148,622</u>

### 3 Other operating expenses

	2014	2013
	\$	\$
Audit fees	5,323	2,400
Bank charges	55	93
Consultancy and contractors	82,632	9,766
Executive officer contract services	105,672	102,594
Insurance	5,358	5,212
Meeting expenses	1,556	4,470
Postage	82	110
President's travelling allowance	2,500	2,500
Printing and stationery	781	710
Record sentencing/archiving	151	193
SAROC regional meeting costs	1,353	1,143
Sundry expenses	92	412
Telephone, fax and broadband	2,933	3,200
Website maintenance	<u>320</u>	<u>50</u>
<b>Total expenses</b>	<b><u>208,808</u></b>	<u>132,853</u>

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 4 Cash and cash equivalents

	2014	2013
	\$	\$
Cash on hand	100	100
Cash at bank	22,537	11,200
LGFA Investment	92,367	78,864
	<u>115,004</u>	<u>90,164</u>

### 5 Trade and other receivables

	2014	2013
	\$	\$
Current	-	-
Accrued interest	-	786
GST receivable (net)	3,599	2,814
	<u>3,599</u>	<u>3,600</u>

### 6 Trade and other payables

	2014	2013
	\$	\$
Current - unsecured		
Trade payables	14,527	2,400
	<u>14,527</u>	<u>2,400</u>

### 7 Unspent funds reserves

The unexpended funds reserve represent funds set aside for future use on projects managed by the association.

	2014	2013
	\$	\$
<b>Shared Resource Cluster Project Income</b>		
Balance brought forward	19,654	-
Transfer from accumulated surplus	-	19,000
Transfer from Discretionary Projects	-	6,000
	<u>19,654</u>	<u>25,000</u>
<b>Total income</b>	<u>19,654</u>	<u>25,000</u>
<b>Less Expenses</b>		
Transfer to Resource Sharing Projects	( 19,654)	-
Transfer to Annual Priorities Project	-	( 5,000)
Facility of video conferencing expense	-	( 346)
	<u>( 19,654)</u>	<u>( 5,346)</u>
<b>Total expenses</b>	<u>( 19,654)</u>	<u>( 5,346)</u>
Project funds not expended at 30 June	<u>-</u>	<u>19,654</u>

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 7 Unspent funds reserves (continued)

	2014	2013
	\$	\$
<b>Discretionary Project Income</b>		
Balance brought forward	226	21,946
Transfer to Council Improvement Project	-	( 10,000)
Transfer to Shared Resource Cluster Project	-	( 6,000)
<b>Total income</b>	<u>226</u>	<u>5,946</u>
<b>Less Expenses</b>		
Delivery of RISE workshop	-	( 4,620)
Other expenses	-	( 1,100)
<b>Total expenses</b>	<u>-</u>	<u>( 5,720)</u>
Project funds not expended at 30 June	<u>226</u>	<u>226</u>
	2014	2013
	\$	\$
<b>Legal Charter Review Income</b>		
Balance brought forward	7,000	6,000
Transfer from accumulated surplus	-	1,000
<b>Total income</b>	<u>7,000</u>	<u>7,000</u>
<b>Less Expenses</b>		
Professional fees	<u>( 2,232)</u>	-
<b>Total expenses</b>	<u>( 2,232)</u>	-
Project funds not expended at 30 June	<u>4,768</u>	<u>7,000</u>

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 7 Unspent funds reserves (continued)

	2014	2013
	\$	\$
<b>Council Improvement Project</b>		
<b>Income</b>		
Balance brought forward	10,000	-
Transfer from Discretionary Project	-	10,000
Transfer to Resource Sharing Projects	<u>( 10,000)</u>	-
<b>Total income</b>	<u>-</u>	<u>10,000</u>
Project funds not expended at 30 June	<u>-</u>	<u>10,000</u>
	2014	2013
	\$	\$
<b>2030 Transport Plan Project</b>		
<b>Income</b>		
Transfer from accumulated surplus	<u>55,000</u>	-
<b>Total income</b>	<u>55,000</u>	-
<b>Less Expenses</b>		
Consultancy	<u>( 40,900)</u>	-
<b>Total expenses</b>	<u>( 40,900)</u>	-
Project funds not expended at 30 June	<u>14,100</u>	-
	2014	2013
	\$	\$
<b>Regional Public Health Plan</b>		
<b>Income</b>		
Transfer from accumulated surplus	<u>40,000</u>	-
<b>Total income</b>	<u>40,000</u>	-
<b>Less Expenses</b>		
Consultancy	<u>( 39,500)</u>	-
<b>Total expenses</b>	<u>( 39,500)</u>	-
Project funds not expended at 30 June	<u>500</u>	-

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 7 Unspent funds reserves (continued)

	2014	2013
	\$	\$
<b>Riverland Resource Sharing Project Income</b>		
Transfer from Shared Resource Cluster Project and Council Improvement Project	-	-
	<u>13,500</u>	-
<b>Total income</b>	<u>13,500</u>	-
Project funds not expended at 30 June	<u>13,500</u>	-
	2014	2013
	\$	\$
<b>Murraylands Resource Sharing Project Income</b>		
Transfer from Shared Resource Cluster Project and Council Improvement Project	-	-
	<u>16,154</u>	-
<b>Total income</b>	<u>16,154</u>	-
Project funds not expended at 30 June	<u>16,154</u>	-
	2014	2013
	\$	\$
<b>Annual Priorities Project Income</b>		
Balance brought forward	1,300	-
Transfer from Shared Resource Cluster Project	-	5,000
	<u>1,300</u>	5,000
<b>Total income</b>	<u>1,300</u>	5,000
<b>Less Expenses</b>		
Facilitation fee	-	( 3,700)
	<u>-</u>	<u>( 3,700)</u>
<b>Total expenses</b>	<u>-</u>	<u>( 3,700)</u>
Project funds not expended at 30 June	<u>1,300</u>	1,300
<b>Total unspent funds reserve</b>	<u>50,548</u>	<u>38,180</u>

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 8 Cash Flow information

#### (a) Reconciliation of Cash Flow from Operations with Surplus for the year

	2014	2013
	\$	\$
Net surplus for the year	12,712	15,769
Changes in assets and liabilities,		
Decrease in trade and other receivables	1	12
Increase in trade and other payables	<u>12,127</u>	300
	<u>24,840</u>	16,081

### 9 Financial Risk Management

The association's financial instruments consist mainly of deposits with bank, receivables and payables.

The total for each category of financial instrument, measured in accordance with AASB 139, as detailed in the accounting policies to these financial statements, are as follows:

	Note	2014	2013
		\$	\$
Financial Assets			
Cash and cash equivalents	4	115,004	90,164
Trade and other receivables	5	<u>3,599</u>	3,600
<b>Total financial assets</b>		<u>118,603</u>	93,764
Financial liabilities			
Financial liabilities at amortised cost			
Trade and other payables		<u>14,527</u>	2,400
<b>Total financial liabilities</b>		<u>14,527</u>	2,400

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 9 Financial Risk Management (continued)

#### Financial Risk Management Policies

The association's Treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The Treasurer monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held bi-monthly and minuted by the committee of management.

The Treasurer's overall risk management strategy seeks to ensure that the association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

#### Specific Financial Risk Exposures and Management

The main risks the association is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the association is exposed to, how these risks arise, or the association's objectives, policies and processes for managing or measuring the risks from the previous period.

##### a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the association.

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise assessed as being financially sound.

##### Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the association securing trade and other receivables.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 5.

The association has no significant concentrations of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 5.

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 9 Financial Risk Management (continued)

#### b. Liquidity risk

Liquidity risk arises from the possibility that the association might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The association manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- only investing surplus cash with major financial institutions; and

The association does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial assets pledged as collateral.

No financial assets have been pledged as security for any financial liability.

#### c. Market risk

##### i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The association is exposed to earnings volatility on floating rate instruments. The financial instruments that expose the association to interest rate risk that are limited to cash and cash equivalents.

##### ii. Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

The association is not exposed to other price risk.

#### *Sensitivity analysis*

The following table illustrates sensitivities to the association's exposures to changes in interest rates. The table indicates the impact on how surplus and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 9 Financial Risk Management (continued)

These sensitivities assume that the movement in a particular variable is independent of other variables.

	<b>Surplus</b>	<b>Equity</b>
<b>Year ended 30 June 2014</b>	<b>\$</b>	<b>\$</b>
+/- 2% in interest rates	+/-1,649	+/-1,649
	<b>Surplus</b>	<b>Equity</b>
<b>Year ended 30 June 2013</b>	<b>\$</b>	<b>\$</b>
+/- 2% in interest rates	+/-1,801	+/-1,801

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

#### **Fair Values**

##### **Fair value estimation**

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 9 Financial Risk Management (continued)

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices.

	2014		2013	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash and cash equivalents	115,004	115,004	90,164	90,164
Trade and other receivables	3,599	3,599	3,600	3,600
Total financial assets	<u>118,603</u>	<u>118,603</u>	<u>93,764</u>	<u>93,764</u>
<b>Financial liabilities</b>				
Trade and other payables	<u>14,527</u>	<u>14,527</u>	<u>2,400</u>	<u>2,400</u>
Total financial liabilities	<u>14,527</u>	<u>14,527</u>	<u>2,400</u>	<u>2,400</u>

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, accounts receivable and other debtors and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value.

### 10 Contingent Liabilities and Contingent Assets

At 30 June 2014, the association is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this financial report.

### 11 Capital Commitments

At 30 June 2014, the association is unaware of any capital or leasing commitments which have not already been recorded elsewhere in this financial report.

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 12 Events after the end of the reporting period

Since the reporting date, there have been no events that would materially impact on the contents of this report.

### 13 Economic Dependence

Murray & Mallee Local Government Association Incorporated is dependent on the Local Councils within its jurisdiction and other funding bodies for the majority of its revenue used to operate the business. At the date of this report, the Committee believe that the Local Councils and other bodies will continue to fund the association.

### 14 Key Management Personnel Compensation

#### (a) Key Management Personnel Compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the association, directly or indirectly, including its committee members, is considered key management personnel.

	<b>Short term benefits</b>	<b>Total</b>
<b>2014</b>		
Total compensation	108,172	108,172
<b>2013</b>		
Total compensation	105,094	105,094

# Murray & Mallee Local Government Association Incorporated

## Notes to the Financial Statements For the Year Ended 30 June 2014

### 15 Capital Management

The Committee controls the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised within tolerable risk parameters. The Committee ensures that the overall risk management strategy is in line with this objective.

The committee operates under policies approved by the board. Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

There have been no changes to the strategy adopted by the Committee to control the capital of the entity since the previous year.

### 16 Going concern dependent on ongoing support from funding bodies

These financial statements have been prepared on the going concern basis which contemplates the realisation and payments of liabilities in the ordinary course of business. The Association's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and to maintain the ongoing support from the entity's funding bodies, sufficient to meet current and future obligations.

### 17 Association Details

*The registered office of the association is;*

Murray & Mallee Local Government Association Inc  
65 Underwood Avenue  
Goolwa Beach SA 5214

*The principal place of business is:*

Murray & Mallee Local Government Association Inc  
65 Underwood Avenue  
Goolwa Beach SA 5214

# Murray & Mallee Local Government Association Incorporated

## Statement by the Committee

In the opinion of the committee the financial statements comprising the statement of profit and loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements:

1. Present fairly the financial position of Murray & Mallee Local Government Association as at 30 June 2014 and the results of the Association for the year ended on that date in accordance with Accounting Standards and other mandatory professional reporting requirements.
2. At the date of this statement, there are reasonable grounds to believe that Murray & Mallee Local Government Association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

Member



Member



Dated this 14th day of September, 2014



Crowe Horwath  
Murray Darling  
ABN 27 161 274 861  
Member Crowe Horwath International  
133 Langtree Avenue  
Mildura VIC 3500 Australia  
PO Box 1608  
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Tel 03 5023 9700  
Fax 03 5021 1430  
www.crowehorwath.com.au

## INDEPENDENT AUDITOR'S REPORT

to the Members of Murray & Mallee Local Government Association Incorporated

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Murray & Mallee Government Association Incorporated (the Association), which comprises the statement of financial position as at 30 June 2014, the statement of profit and loss and comprehensive income, statement of changes equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes, report by members of the committee and the statement by members of the committee.

### Committee's Responsibility for the Financial Report

The committee of the Association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Associations Incorporation Act (SA) 1985 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, 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 Committee, as well as evaluating the overall presentation of the financial report.

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

### Independence

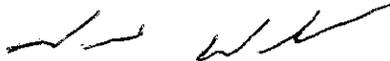
In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

### Opinion

In our opinion the financial report of Murray & Mallee Local Government Association Incorporated is in accordance with the requirements of the Associations Incorporation Act (SA) 1985, including:

- i. presenting fairly, in all material respects the Association's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1.

### **CROWE HORWATH MURRAY DARLING**



Nick Walker

*Partner*

14 September 2014

Mildura

**Membership**

City of Port Augusta  
City of Mount Gambier  
City of Port Lincoln  
City of Whyalla  
Port Pirie Regional Council  
Rural City of Murray Bridge

**Executive Officer**

Mr. Ian McSparran  
PO Box 3106  
PORT AUGUSTA WEST SA 5700  
Mobile: 0419 810 644  
Email: [myallone@bigpond.com](mailto:myallone@bigpond.com)

## Annual Reports

### 2013/2014

Chairperson's Report  
Executive Officer's Report  
Auditor's Report  
Financial Statements

August 2014

## **Chairperson's Report**

As the Chairperson of the Provincial Cities Association of South Australia, I submit my Report on activities of the Association for 2013/2014.

Since my first report to you as Chairperson we have had both Federal and State Elections.

Unfortunately the outcomes of the respective Elections do not appear to have been beneficial to the regional and rural areas of South Australia, with significant reductions in funding being imposed on Local Government Authorities by the Commonwealth in areas vital to our respective well beings, eg. Financial Assistance Grants and Special Local Roads Funding.

The lack of response to date (or even an acknowledgement) of our concerns at the way in which South Australia was treated as compared to our inter-state colleagues particularly in the area of road funding, is very disappointing. However, we must not diminish our endeavours to ensure that our concerns are heard in any future discussions with the Government and its various elected members.

On the State scene, the commitment of the re-elected Premier, Hon Jay Weatherill, to additional funding for regional development initiatives to be provided in the current State Budget was welcomed. However, the allocation of this funding to the regions appears to have become mired in "red tape" causing a degree of angst within the regions.

The commitment of Minister Geoff Brock to attend our meeting on the 30<sup>th</sup> October 2014, is therefore very welcome, and provides us with an opportunity to discuss our concerns openly with the Minister and hopefully achieve a resolution which not only meets our wishes, but also those of the State, as we face the future.

During the past year we have spent a considerable amount of time and resources in meeting, discussing and providing ideas and options regarding the future development of regional business activities within our respective communities. Again we must ensure that these endeavours are not lost and are continually placed before the Government.

During the year, the Association resumed its former policy of meeting at least once in a Regional City each financial year, with the June 2014 meeting being held at Port Augusta.

This meeting enabled the Port Augusta representatives to showcase a number of exciting developments and initiatives which were either underway or in a planning stage within their Council area. It showed that activities are taking place under the guidance of Local Government as well as private enterprise, and that with the support of the Commonwealth and State Governments, the regional negativity which pervades many of our media outlets, can be addressed.

I am very pleased to note that the Association has committed to visiting Murray Bridge in June 2015, and I hope to be able to attend this meeting to note the developments taking place in "our sister member's area."

In closing, with the Periodic Council Elections to be held in November (with the nominations closing shortly), I extend best wishes to those seeking re-election and to those who are retiring. I thank you for your support of the Provincial Cities Association in the past, and wish you every success, health and happiness in the future.

**Mayor Jim Pollock**  
**Chairperson**  
**10<sup>th</sup> September 2014**

## **Executive Officer's Report**

During the 2013/2014 Financial Year, the Provincial Cities Association of South Australia met on three (3) occasions:

- Meeting #55 - 23<sup>rd</sup> October, 2013 at the Haven Comfort Inn, Glenelg
- Meeting #56 - 12<sup>th</sup> February, 2014 at the Haven Comfort Inn, Glenelg
- Meeting #57 - 4<sup>th</sup> June, 2014 at the Australian Arid Lands Botanic Garden, Port Augusta

Association representatives were also involved in Deputations or Meetings during the year with:

Hon Tom Koutsantonis, Minister for Transport and Infrastructure, Minister for Mineral Resources & Energy, Minister for Housing and Urban Development, on the 27<sup>th</sup> August 2013

Mr Steven Marshall, Leader of the State Liberal Party, Mr Steven Griffiths, Shadow Minister for Regional Development and Local Government and Mr Dan van Holst Pellekaan, Shadow Minister for Police, Community Safety & Correctional Services on the 14<sup>th</sup> January 2014

Hon Gail Gago MLC, Mr Steven Griffiths, Hon Robert Brokenshire MLC and Assoc Prof Michael O'Neil at "LGA 2014 Election and Regional Development Forum" on the 30<sup>th</sup> January 2014

As indicated in my Report for 2012/2013 a considerable amount of time had been spent in dealing with issues associated with the development of a South Australian Regional Development Strategy. This work continued into the current financial year and resulted in the Association accepting a Report prepared by the South Australian Centre for Economic Studies titled "Regional Development and Key Principles."

This Report, and an earlier Report prepared by South Australia's Regional Development Organisations which prioritized "Regional Infrastructure Projects" across the state, together with the announcement by the Premier, Hon Jay Weatherill of additional funding for Regional Development in the State in 2014/2015, were welcomed within the regions, but do not appear to have altered the "red tape maze and inertia" which has existed for a number of years.

In a similar vein, the time spent on reading and commenting on the Native Vegetation Management Unit's proposals for the Native Vegetation Council did not result in the outcomes which were sought within the regions, although the gradual transition of the increased SEB payments is one positive outcome of the consultation process.

The further review of the Native Vegetation Act Regulations which has been promised is awaited with interest, particularly in view of the stated aim of the Government to reduce/remove red tape to make development processes easier and less complicated.

The ongoing "consultation" over the Planning Review also involved considerable time and effort. As I stated publicly at a Local Government Consultation meeting at Cleve, I have fears that Local Government will find its role in future planning matters as being one of tokenism with all major decisions being made by either the Minister or Adelaide based bureaucrats.

I trust that I am proven to be wrong, but the next 12 – 18 months will be very interesting in this major area of Local Government activity.

The Association's Financial position as at the 30<sup>th</sup> June 2014, met the expected Budget predictions. However, the utilization of the "previously accrued Reserve Funds" to minimize levy increases in 2013/2014, has meant that future expenditures will need to be prudently managed as the Association encompasses the financial prudence which is considered an imperative across all levels of Government.

A copy of the Audited Accounts for 2013/2014 is attached.

In closing my Report, I acknowledge the support which has been provided to me and the Association, by Associate Professor Michael O'Neil and staff from the South Australian Centre for Economic Studies, not only during the past year, but over the time since the Association was founded. This unbiased and factual support and advice has much to do with the way in which Association submissions over the years have been accepted. The Corporate Membership fees paid to SACES have certainly been of great personal and regional benefit.

To the members of the various Councils who will not be seeking re-election in November, I thank you for your efforts not only for your communities, but also the Provincial Cities Association.

To those seeking re-election I wish you well and look forward to a continuation of your Council's support for the Association as we face the ever changing times for Local and Regional development.

**Ian McSparran**  
**Executive Officer**  
**August 2014**



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE  
PROVINCIAL CITIES ASSOCIATION OF SOUTH AUSTRALIA**

We have audited the accompanying Financial Report of the Provincial Cities Association of South Australia which comprises the statement of financial position as at 30 June 2014 and the operating statement and statement of changes in equity for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Chief Executive Officer's declaration.

**THE 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) the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**AUDITOR'S RESPONSIBILITY**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, 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 Council, as well as evaluating the overall presentation of the financial report.

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

**AUDITOR'S INDEPENDENCE DECLARATION**

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

## AUDIT OPINION

In our opinion the financial report of the Provincial Cities Association of South Australia is properly drawn up:

- a) To give a true and fair view of:
  - i) the Subsidiary's state of affairs as at 30 June 2014 and changes in equity resulting from operations and cashflows for the year ended on that date.
  - ii) the other matters required by the Local Government Act 1999 to be dealt with in the financial statements.
- b) According to the Local Government Act 1999, together with the Local Government Act 1999 (Financial Management) Regulations 2011 made under that Act; and
- c) According to Australian Accounting Standards and mandatory professional reporting requirements.

Signed at MARILL this 22<sup>nd</sup> day of August 2014

  
\_\_\_\_\_  
JOHN D EWEN  
JOHN D EWEN & ASSOCIATES  
CHARTERED ACCOUNTANT

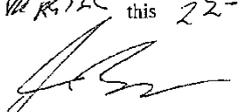
## AUDITOR'S INDEPENDENCE DECLARATION

**Auditor's Independence Declaration Under Section 16A of the Local Government (Financial Management) Regulations 1999 to The Members of the Provincial Cities Association of South Australia.**

I confirm that, for the audit of the financial statements of the Provincial Cities Association of South Australia for the year ended 30 June 2014 I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A (4) *Local Government (Financial Management) Regulations 2011*.

Signed at MARILL this 22<sup>nd</sup> day of August 2014

  
\_\_\_\_\_  
JOHN D EWEN  
JOHN D EWEN & ASSOCIATES  
CHARTERED ACCOUNTANT

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

**Note 1. Statement of Significant Accounting Policies**

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

1. Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards.

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

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

1.2 Historic Cost Convention.

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

1.3 Critical Accounting Estimates.

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Subsidiary'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 Provincial Cities Association of SA Regional Subsidiary is incorporated under the SA Local Government Act 1999 and has its principal place of business at a Lot 7, Section 147, Eyre Highway, Port Augusta West. In the process of reporting on the Subsidiary as a single unit, all transactions and balances between activity areas have been eliminated.

FIN0032

3. Income Recognition.

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

4. Cash, Cash Equivalents and other Financial Instruments.

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

5. 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 taxes activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.

6. Comparative Information.

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

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**CHIEF EXECUTIVE OFFICER'S STATEMENT**

I, IAN MCSPORRAN the EXECUTIVE OFFICER of PROVINCIAL CITIES ASSOCIATION OF SOUTH AUSTRALIA do hereby state that the Statement of Financial Position of the PROVINCIAL CITIES ASSOCIATION OF SOUTH AUSTRALIA as at 30 JUNE 2014 and the operating Statement and Statement of Changes in Community Wealth, together with the supporting notes for the year ended on that date are to the best of my knowledge presented in accordance with the *Local Government Act 1999*, and the *Local Government Accounting Regulations* made under that Act.

  
Signed

11<sup>th</sup> August 2014.  
Dated

**ADOPTION STATEMENT**

Laid before me the PROVINCIAL CITIES ASSOCIATION OF SOUTH AUSTRALIA REGIONAL SUBSIDIARY

And adopted on \_\_\_\_\_ 2014

\_\_\_\_\_  
Executive Officer

\_\_\_\_\_  
Chairperson

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**PROVINCIAL CITIES ASSOCIATION OF SOUTH AUSTRALIA**

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**STATEMENT OF FINANCIAL POSITION**  
**As at 30<sup>th</sup> June 2014**

	<b>Note</b>	<b>2014</b> <b>\$</b>	<b>2013</b> <b>\$</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents		1,617	22,569
Receivables	5	584	305
<b>TOTAL CURRENT ASSETS</b>		<u>2,201</u>	<u>22,874</u>
<b>CURRENT LIABILITIES</b>		0	0
<b>TOTAL CURRENT LIABILITIES</b>		0	0
<b>NET CURRENT ASSETS</b>		<u>2,201</u>	<u>22,874</u>
<b>NON CURRENT ASSETS</b>		0	0
<b>TOTAL NON-CURRENT ASSETS</b>		0	0
<b>NON-CURRENT LIABILITIES</b>		0	0
<b>TOTAL NON-CURRENT LIABILITIES</b>		0	0
<b>NET ASSETS</b>		<u>2,201</u>	<u>22,874</u>
<b>EQUITY</b>			
Accumulated Surplus		<u>2,201</u>	<u>22,874</u>
<b>TOTAL EQUITY</b>		<u>2,201</u>	<u>22,874</u>

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**PROVINCIAL CITIES ASSOCIATION OF SOUTH AUSTRALIA**

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**OPERATING STATEMENT**

For the year ended 30<sup>th</sup> June 2014

	<b>Note</b>	<b>2014</b> <b>\$</b>	<b>2013</b> <b>\$</b>
<b>OPERATING REVENUE</b>			
Contributions	2	60,000	63,000
Bank Interest		558	531
<b>TOTAL OPERATING REVENUE</b>		<u>60,558</u>	<u>63,531</u>
<b>OPERATING EXPENSES</b>			
Contractual Services	3	55,524	49,950
Other	4	25,707	30,982
<b>TOTAL OPERATING SERVICES</b>		<u>81,231</u>	<u>80,932</u>
<b>NET SURPLUS/(DEFICIT) RESULTING FROM OPERATIONS</b>		(20,673)	(17,401)

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**PROVINCIAL CITIES ASSOCIATION OF SOUTH AUSTRALIA**

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**STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>ACCUMULATED SURPLUS</b>		
Balance at end of previous reporting period	22,874	40,275
Net surplus/(deficit) for year	(20,673)	(17,401)
<b>BALANCE AT END OF PERIOD</b>	<u>2,201</u>	<u>22,874</u>

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**PROVINCIAL CITIES ASSOCIATION OF SOUTH AUSTRALIA**

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<b>Note 2</b>	<b>2014</b>	<b>2013</b>
<b>Contributions</b>		
City of Mount Gambier	10,000	10,500
Rural City of Murray Bridge	10,000	10,500
City of Port Augusta	10,000	10,500
City of Port Lincoln	10,000	10,500
Port Pirie Regional Council	10,000	10,500
City of Whyalla	10,000	10,500
	<u>60,000</u>	<u>63,000</u>

<b>Note 3</b>		
<b>Contractual Services</b>		
Executive Officer Contract	45,624	49,050
Audit Fees	900	900
South Australian Centre for Economic Studies	9,000	
	<u>55,524</u>	<u>49,950</u>

<b>Note 4</b>		
<b>Other Expenses</b>		
Travelling Expenses – Executive Officer	8,741	9,281
Postage and Stationery	637	404
Telephone/Internet	527	770
Administration & IT Services – City of Port Augusta	5,000	5,000
Bank Fees	60	60
Membership – Corporate	1,690	1,690
Insurance	6,366	6,192
Meeting Expenses – Members (Note 5)	2,686	7,585
	<u>25,707</u>	<u>30,982</u>

<b>Note 5</b>		
<b>Trade &amp; Other Receivables</b>		
GST (net)	<u>584</u>	<u>305</u>

<b>Note 6</b>		
<b>Meeting Expenses – Members</b>		
Association Meetings	2,267	2,709
Regional Capitals Australia		2,782
LGA Overseas Study Tour		1,364
Native Title		480
In Memoriam – Mayor Baluch		250
Deputations	227	
Regional Development Policy Meetings	192	
	<u>2,686</u>	<u>7,585</u>

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