



Annual Report 2022-23





Welcome

This is our Annual Report for 2022-23 which provides an account of our performance over the financial year 1 July 2022 to 30 June 2023 and highlights our achievements against the goals we set in our *Strategic Plan 2020-24 – A Brighter Future* and *Annual Business Plan 2022-23*.

The Annual Report meets the requirements of the *Local Government Act 1999*, and is provided for our ratepayers, residents, business operators, visitors, government agencies and other interested parties.

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Cover photo: Uraidla Vineyards. Credit: South Australian Tourism Commission

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Council acknowledges that we conduct our business on the traditional lands and waters of the Peramangk and Kurna people.

We pay our respects to Elders past, present and emerging as the Custodians of this ancient and beautiful land.

Together we will care for this country for the generations to come

An online version of this Annual Report can be downloaded at ahc.sa.gov.au or request a copy by contacting us:

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Stirling SA 5152

We welcome your feedback on this Report or any other Council matter.



From the Mayor

Dr. Jan-Claire Wisdom

Throughout the year Council continued to align our goals and actions with the *Strategic Plan 2020-24: A brighter Future* in order to provide valuable services and infrastructure in a financially sustainable way.

Our commitment to Community Resilience Program meant we supported communities to prepare, respond and recover from emergencies. This included support of the Riverland communities and Councils during the River Murray Flood Event by Council's Incident Management Team.

During the 2022-23 financial year, we had four new Council Members join our Elected body. Sadly, this meant saying goodbye to four of our previous members and I would like to extend my personal thanks to them for all of their hard work and dedication to the Adelaide Hills Community.

Our new elected body commenced as of November 2022, and this reinvigorated and passionate group have been working to benefit our community, local economy and environment by introducing initiatives such as the "Our watch toolkit" which focuses on increasing awareness and support for victims of domestic violence, committing to a 100 per cent renewable energy target, and accelerating our transition to Electric vehicles.

On behalf of Council Members I would like to thank our staff, community partners and volunteers for their continued commitment and achievements through out this year.



From the CEO

Greg Georgopoulos

Reflecting on the accomplishments of the 2023/24 fiscal year, I'm proud to share the outstanding achievements of our Council and its collaboration with the community.

We secured over \$6 million in grants, supporting crucial initiatives, including 9 more years of funding for our Community Centres. Over \$15 million was dedicated to capital projects, notably completing the Fabrik Arts and Heritage Hub redevelopment.

The Community and Recreation Facilities Framework enhanced investments in sporting facilities and playgrounds, seen in upgrades like the Heathfield Oval changerooms.

Despite economic challenges, our Council maintained financial sustainability, exceeding our \$650,000 savings target through focused service and process efficiencies.

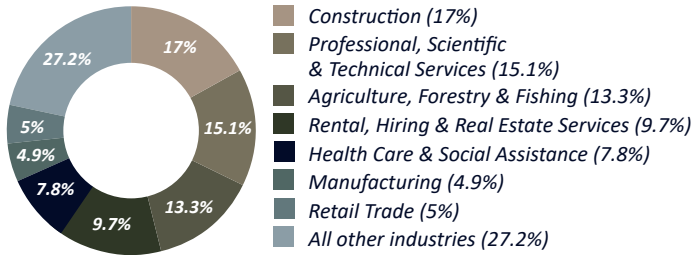
Strategic initiatives included implementing an automated email system, enhancing customer communication, and fortifying our Cyber Security Program with the Local Government Framework. Audits of Council buildings and a service review of Planning and Development processes further improved our operations.

I express sincere gratitude to ratepayers, visitors, staff, volunteers, and partners who collaborated closely with our Mayor, elected body, contributing significantly to the success of our region.

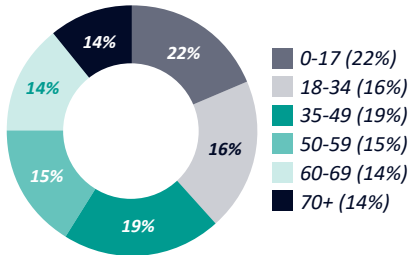
Looking ahead, our commitment to progress and community well-being will continue to drive our success.

Our District

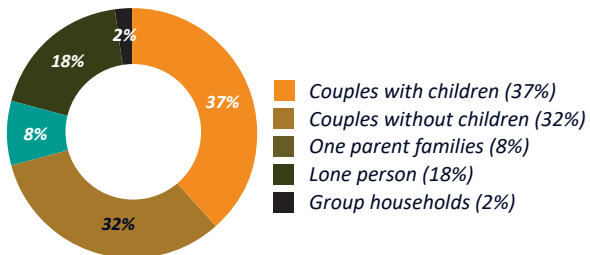
Number of registered businesses by Industry



Age Profile of Adelaide Hills Council



Household Types



618km
of sealed Roads



399km
of unsealed Roads



124km
of footpaths



39 Playgrounds
100+ pieces
of equipment



309
Council Owned
Buildings



1.2M+ domestic day
trips were taken the
Adelaide Hills
region in 2022-23



Townships
& Localities **57**



Total Population
41,250



11,607
local jobs



44
Median Age



30%
Volunteers



15,032
Households
84% own or are
buying a home



3.8% need
help at home



43% have a
university education or
TAFE qualification



19% have a
trade qualification



4,232 Businesses

District Area
795km²

Data source: ABS Census of Population and Housing 2021, and ABS Count of Australian Business 2021

Our Elected Council



Mayor

Dr Jan-Claire Wisdom



Deputy Mayor

Cr Nathan Daniell
(Ranges Ward)



Cr Kirrilee Boyd
(Ranges Ward)



Cr Adrian Cheater
(Ranges Ward)



Cr Pauline Gill
(Valleys Ward)



Cr Chris Grant
(Valleys Ward)



Cr Malcolm Herrmann
(Valleys Ward)



Cr Lucy Huxter
(Valleys Ward)



Cr Leith Mudge
(Ranges Ward)



Cr Mark Osterstock
(Ranges Ward)



Cr Louise Pascale
(Ranges Ward)



Cr Kirsty Parkin
(Ranges Ward)



Cr Melanie Selwood
(Valleys Ward)

Council and Committees

The Elected Council's role is to provide for the governance and management of the Council area. It does this through:

- Representing the interests of the community,
- Providing and coordinating public services and facilities,
- Encouraging and developing initiatives to improve the community's quality of life, and
- Undertaking its functions under legislation and its strategic management plans.

A number of committees have been established in accordance with legislation to assist the Council to discharge its responsibilities in specific areas. These are the Audit Committee, the Chief Executive Officer Performance Review Panel (CEOPRP), the Council Assessment Panel (CAP), Boundary change committee, Building Fire Safety Committee and the Health & Safety Committee.



Our Organisation

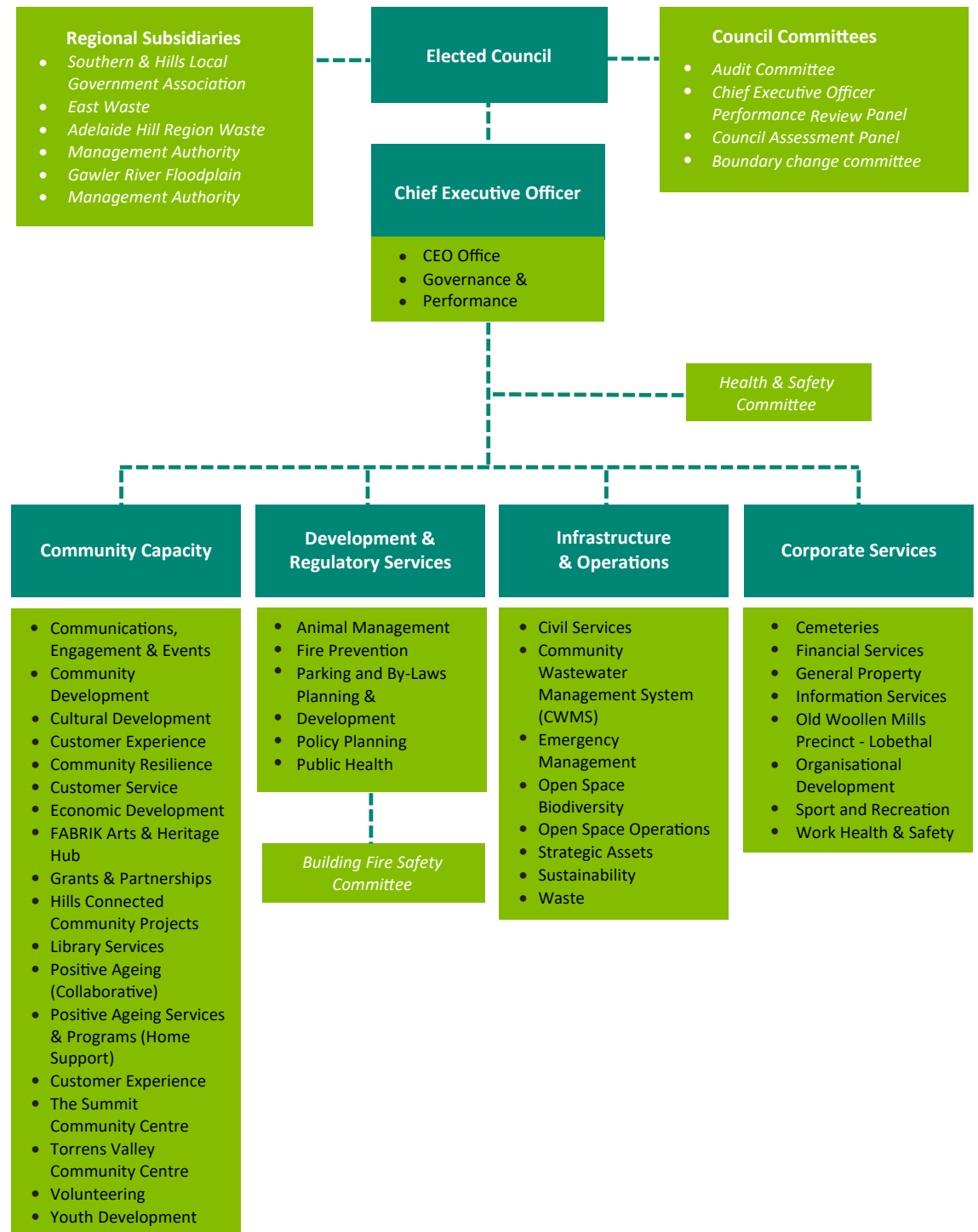
Regional Subsidiaries

Council is a member of four regional subsidiaries which assist in the strategic planning and service delivery activities. The subsidiaries are the Southern and Hills Local Government Association (SHLGA), the Eastern Waste Management Authority (East Waste), the Adelaide Hills Region Waste Management Authority (AHRWMA), and the Gawler River Floodplain Management Authority (GRFMA).

Administration

The Council's Administration is led by a Chief Executive Officer appointed by the Council.

The Chief Executive Officer appoints staff to carry out the functions and duties delegated to them and to implement Council decisions. The Administration is organised into directorates (see diagram), each with a specific area of focus and functional responsibilities. The arrangement of the directorates provides for the separation of the regulatory activities (into the Development & Regulatory Services Directorate) from the other activities of the Council.



Our 2022-23 Performance Highlights

Aged home support



7,255

hours of support
in and around
the home



17,300

hours of social
support



2,300

transport
trips

Planning and Building Approvals



1,166

Planning and Building
Applications lodged worth
\$181.61 million

Community programs and events



10,546

participants in
community centre
activities

Community Online Engagement

20%

overall growth in social
media community

17 Online
engagement
campaigns



18,700 project page views
969 total participants



Total social media
community
28,727 (30% growth)

Electronic newsletter
subscribers



29,947 (13% growth)

Economy

1.21m

day trips taken
to the region



3 home based business
networking events with 64
businesses engaged

Average of **157**
volunteers
across the year



12,304

volunteer hours provided across libraries,
community centres, assisting in aged
support and in youth development

Cultural Diversity



10 activities or programs offered across
the Community Centres and Libraries that
celebrated cultural diversity

Our 2022-23 Performance Highlights

Library



Physical visits
189,006



Physical loans
443,524



Digital loans
eBook **43,929**
eAudiobook **45,602**
eMagazine **8,690**



Early childhood programs delivered
271

Animal management



Dog registrations
9,569



Cat registrations
1,521



94%

of all Council decisions were made in meetings open to the public

Biodiversity, environment and sustainability

61,879KL



Volume of recycled water

Solar power panels



213 MWh produced by Council properties

22.2 ha of weeds and other fuels cleared which posed a fire risk

1,500 seedlings planted in 10 revegetation projects

10 reserves approved under Heritage agreements



Youth Volunteers



Delivered 49 youth events. Year 12 support program provided 300 support packs to high schools.



9,410 inspections completed as part of the annual bushfire prevention activities

249 private properties were issued a 105F notice

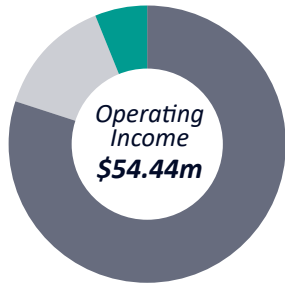


52.6% of waste collected was diverted from landfill as recyclable material

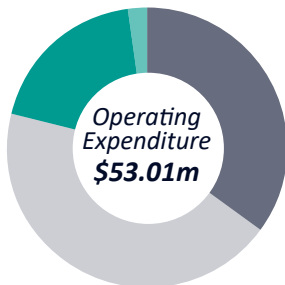
19 waste education sessions held

27 drop off days held at Heathfield, Gumeracha and Woodside resulting in 10,032 drop offs processed totaling 1,036 tonnes of green organic waste

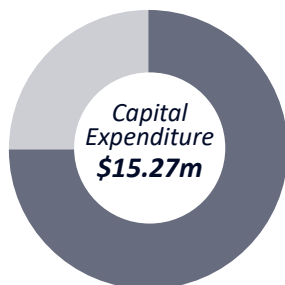
Operating Expenditure Highlights



- Rates income \$44.40m
- Grants income \$6.38m
- Other \$3.66m














- Employee costs \$20.69m
- Materials, contracts & other expenses \$21.27m
- Depreciation \$10.48m
- Other 570k



- Renewal & replacement of assets \$10.07m
- New or upgrades \$5.20m

Expenditure Highlights

 <p>Library and Customer Services \$2.6m</p>	 <p>Civil services \$5.0m</p>
 <p>Community, Cultural & Youth Development \$1.58m</p>	 <p>Waste & Recycling \$5.8m</p>
 <p>Aged Care Support \$1.2m</p>	 <p>Biodiversity & Sustainability \$1.3m</p>
 <p>Animal Management \$564,000</p>	 <p>Open Space - Operations \$5.9m</p>
 <p>Planning & Development \$2.5m</p>	 <p>Property Services \$1.8m</p>
 <p>Economic Development \$573,000</p>	

2022-23 Capital Works Program



Road Works \$6.74 million

- 18.9km of sealed roads renewed
- Renewed 0.45% (16,450m²) of our road base pavement (under the sealed surface)
- 12.9km of unsealed roads renewed.



Footpaths \$800,000

- 1.37km new footpaths constructed including Glen Stuart Road, Woodforde
- 1.55 km of existing footpaths renewed including Onkaparinga Valley Road Balhannah, Mount Barker Road Bridgewater, Merrion Terrace Stirling.



Storm Water \$222,000

- Minor stormwater projects were completed at Wycomb Road, Aldgate, August Street, Birdwood, and at the Uraidla showgrounds
- Stormwater infrastructure was renewed and upgraded at Christie Street, Aldgate.



Buildings \$3.24 million

- Redevelopment works at Fabrik Arts and Heritage Hub
- New public toilets at Gumeracha Oval and Torrens Valley Community Centre
- New cricket nets at Stirling Oval, Woodside and Mylor Oval
- Refurbished new office accommodation at Garrod Crescent Stirling offices
- Upgraded Stirling transportable building for office staff
- Upgraded Stirling theatre seating and carpet.



Other Capital Projects \$3.40 million

- Council Members device renewal including sharepoint portal
- Delivery of Phase 1 of the new Council Web Site - a new cloud hosted CMS (content management system)
- Preparation of Natural Burial ground at Kersbrook Cemetery.



CWMS Community Wastewater Management System \$382,000

- Replaced fencing at the Birdwood CWMS Lagoons and Treatment Facility
- Backup Power supply installed at Church Street Pump Station, Birdwood.

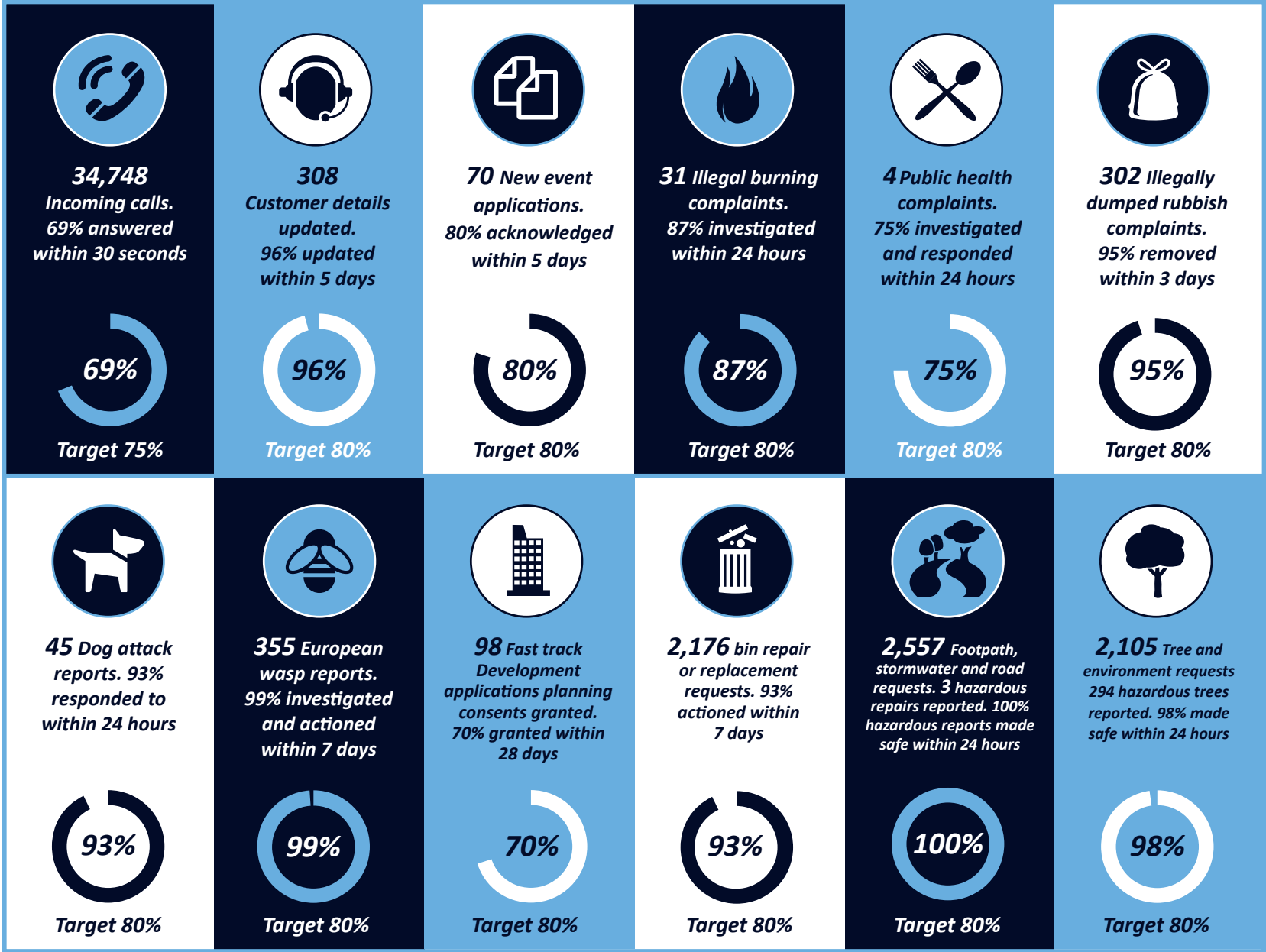


Sport and Recreation \$379,000

- Irrigation upgrade designs completed for Mylor Oval and Bradwood Park
- Completed a feasibility study for Adelaide Hills War Memorial Swimming Pool at Woodside to determine future investments.



Customer Service Standards



Our Events

The Adelaide Hills remains a destination of choice for arts and community events. In 2022-23 we supported 195 community events including markets, local cycling and walking events, nature and sustainability events, and Christmas events.

Discover, Play, Bikeway!

19 March 2023

Oakbank, Woodside, Charleston, Mount Torrens

Discover, Play, Bikeway! encouraged residents and visitors to ride or walk the Amy Gillett Pathway and discover an array of pop-up food, music, art and performances along the way, from Oakbank to Woodside, Charleston and Mount Torrens.

Christmas Events

December 2022

Stirling, Woodside and Lobethal

Christmas events were back in full swing in 2022 including the Stirling, Lobethal and Woodside Christmas Pageants. Christmas is a wonderful time to enjoy with friends and family, and it was great to see these events back on the calendar.

Santos Tour Down Under

13 – 22 January 2023

Birdwood, Uraidla, Mount Lofty

The Santos Tour Down Under returned with their international event in January 2023.

We hosted two stages in the Adelaide Hills, a women's stage starting in Birdwood and finishing in Uraidla, then the men's final finish at Mount Lofty.

The district put on a show again, with Uraidla winning the Santos Best Dressed Town award.



Delivering on our plans

Our Strategic Plan 2020-24 – A Brighter Future was formally adopted in April 2020 with the aspiration of making it easier for our community to prosper while maintaining and enhancing the unique environment, character and liveability of our area.

The Strategic Plan is supported by our Long Term Financial Plan, Infrastructure and Asset Management Plan, and Corporate Plan, all of which are critical to ensuring Council’s long-term sustainability. The following performance information is aligned with our Strategic Plan and the 2022-23 Annual Business Plan (ABP) strategy and goals.



Ensure that all decisions regarding the built environment recognise our unique character and natural environment to maintain and enhance liveability for our community.



An inclusive and prosperous community with the capacity to flourish and fulfil their potential through opportunities to engage, connect, participate and enhance wellbeing.



Our region’s economy is diverse and sustainable with a reputation for quality, niche products, services and experiences underpinned by a culture of creativity and innovation.



The natural environment of the Adelaide Hills contributes significantly to the character of the region and is greatly valued by our local community and visitors.



Council is recognised for its skilled and agile workforce, for its representative and accountable governance, its commitment to cost effectiveness and efficient service delivery.



A Functional Built Environment

Our Strategic Plan 2020-24 – A Brighter Future

A Brighter Future sets out our goals, objectives and priorities (listed in full in Appendix 3).

As it is a four year plan, not every priority will have an achievement listed against it each year.

What we have achieved

Objective B1 - Our district is easily accessible for community, our businesses and visitors.

- Developed a Trails and Recreation Site Signage Plan for promotion and accessibility (B1.1)
- Reviewed the provision of accessible car parking in identified areas, including Council's service centres, libraries and community centres, to inform priority upgrades. (B1.2)
- Continued to advocate for future transport improvements including actively participating in the Mount Barker and Adelaide Hills Transport Study being undertaken by Department of Infrastructure and Transport (DIT). (B1.4)
- Upgraded the Lake to Rail trail in Woorabinda Reserve (B1.5)

Objective B2 - Preserve and enhance the unique character of the Hills for current and future generations.

- Finalised the property and sustainability audit report which provides a list of actions to improve the energy and water efficiency of 38 buildings. (B2.2 & B3.1)

Objective B3 - Consider external influences in our long term asset management and adaptation planning.

- Committed to a 100% renewable energy target. Council continued to transition away from internal combustion powered engines with an order placed for electric vehicles for use in Council's fleet. (B3.2)
- Continued to participate in the Circular Procurement Pilot with other participating Councils. In total, Council has procured goods containing 3,579 tonnes of recycled content. (B3.3)

Objective B4 - Sustainable management of our built assets ensures a safe, functional and well serviced community.

- Completed an audit of all of Council's buildings including administration buildings, halls, community centres, sporting clubs, public toilets, sheds and other outbuildings. This, together with other strategic plans will form the basis for delivery of Council's first Building Asset Management Plan in 2023/2024. (B4.1)

- Analysed the integration of the solar management system (Solar Analytics) across all of Council's solar installations which showed initial savings results of 219 MWh and \$66,000 across a 12 month period. (B4.2)
- Adopted the Community and Recreation Facilities Framework which aims to provide equitable support to the maintenance and upgrade of Council's ovals and open spaces. (B4.3)
- Completed works on the Woodhill Rd Blackspot project, and substantially completed the Montacute Rd blackspot project. (B4.4)
- Installed Electric vehicle charging stations at the Heathfield Works Depot. Planning commenced for the installation of electric vehicle charging stations at the Stirling Council Office. (B4.5)

Performance Measures

Measure	Target	Strategic Objective	Reporting Frequency	Actual
CPI-B01 Inspections of footpaths in high priority zones	100%	B1	Quarterly	100%
CPI-B02 Delivery of capital works program	90%	B1	Quarterly	Q1 = 62% / Q2 = 75% / Q3 = 65% / Q4 = 84% Actual expenditure is less than budget due to significant projects that were work in progress as of 30 June, such as Montacute Rd and Warren Rd Blackspot projects.
CPI-B03 Compliance inspections completed within 5 business days of development completion notification	80%	B2	Quarterly	Q1 = 100% / Q2 = 100% / Q3 = 95% / Q4 = 100%
CPI-B04 Compliance inspections completed within 5 business days of notification of alleged unlawful development	80%	B2	Quarterly	Q1 = 100% / Q2 = 57% / Q3 = 75% / Q4 = 74% Insufficient resourcing to manage compliance matters was identified in the Service Review. An action plan to provide additional support is being progressed
CPI-B05 Comparison of Council's Energy Usage (Kwh) against previous financial year	Less than previous financial year	B3	Annually	2021-22 = 1,733,159 kWh / 2022-23 = 1,944,989 kWh Energy usage is up as worker return to the office post COVID-19 work from home arrangements
CPI-B06 Tonnes of recycled plastic content in products purchased by Council	25	B3	Annually	35.7 tonnes
CPI-B07 Operational tasks completed within the Civil Zone Maintenance Program	80%	B4	Quarterly	Q1 = 50% / Q2 = 40% / Q3 = 60% / Q4 = 60% A higher proportion of works occurred outside of zone than targeted due to the limits of the current paper based system.

Our Strategic Plan 2020-24 – A Brighter Future sets out our goals, objectives and priorities (listed in full in Appendix 3). As it is a four year plan, not every priority will have an achievement listed against it each year.

What we have achieved

Objective C1 - A community for everyone that is inclusive, welcoming and accessible.

- Reviewed and updated Library Opening Hours to improve efficiency and better reflect community use. The new hours will commence from 1 July 2023, including opening on Mondays at the Stirling Library. (C1.1)
- Completed refurbishment of the Gumeracha Library. The refurbishment includes accessible service desks for the Library, Customer Service, and the Community Centre; a cozy and fun children's space; updated seating and reading areas; and new shelving to flexibly house the 5000 library items in the collection. (C1.1)
- Secured nine years of Department of Human Services grant funding to support community centre programs. (C1.1)
- The Summit Community Centre held an open day for the community to see the sustainability upgrades made to the site, explore opportunities to connect through centre programs and enjoy the opening of the 2022 SALA exhibition. The local school, local artists, community groups and program participants showcased their work and provided activities. (Sept 2022) (C1.1)

- Launched the renewed Mobile Library Service which houses approximately 1000 items, is solar powered and has wheelchair access. The refreshed timetable operates on a four week cycle, with public stops at key community hubs and townships, schools, kindergartens and aged care facilities (C1.1)
- Provided programs and activities across community centres and libraries including author talks, workshops in art, craft, cooking and cultural awareness. (C1.2)
- Held the Hills Harmony Picnic on 25 March which was attended by over 200 people and included a Welcome to Country and didgeridoo performance, a Yarning Circle, African drumming, henna art and Persian food prepared by the Ba'hai Community (C1.2)
- Engaged Orana to provide Disability Awareness Training to all staff who manage Council volunteers. Staff who participated reported increased confidence in supporting the inclusion of people with disability in Council's volunteering programs. (C1.2)
- Supported a series of free Come n' Try inclusive soccer sessions for people with disability, hosted by Woodside Warriors Soccer Club and delivered by One Culture Support Services. (C1.2)

- Completed an internal audit at the Summit Community Centre to meet the organisational Dementia-Friendly Communities Action Plan (C1.3)
- Established a team of volunteer Access and Inclusion Advisors comprising of residents with lived experience of disability along with representatives from local service providers. During the year, this team progressed actions in Council's Disability Access & Inclusion Plan (DAIP) 2020-24.(C1.3)
- Collaborated with Mount Barker District Council to deliver the Hills Community Passenger Network Service which provides travel information and medical transport for transport disadvantaged. (C1.4)
- Provided shopping transport for eligible Commonwealth Home Support Program clients. (C1.4)

Objective C2 - A connected, engaged and supported community.

- Supported our aging community by providing over 7,000 hours of essential assistance (in and around the home), nearly 2,500 transport trips, and over 17,000 hours of social support programs. These initiatives were complemented by a regular suite of programs all designed to foster lifelong learning, capacity building and meaningful connections. (C2.2)

- Hosted the Hills Treasures regional event which brought together remarkable individuals aged 65 and above from across the district, recognizing their exceptional contributions to the Hills community. (C2.2)
- Provided 49 youth events and activities for skills development and building connections. These included school holiday workshops on topics ranging from home recording to young drivers awareness classes, self-defence classes, market-stall ready workshops and a musical end of year celebration. (C2.3)
- Provided parent and community education sessions regarding Alcohol and Other Drugs, Vaping and Safe Partying. (C2.3)
- Developed and delivered LGBTIQ+ youth support programs in collaboration with Headspace Mount Barker and The Hut, Aldgate. (C2.3)
- Recorded over 18,700 visitors to our online engagement platform (C2.4)
- Delivered the 2023 Community survey which resulted in 726 people participating. Comments and data will help inform Council decisions including development of the next Adelaide Hills Council Strategic Plan. (C2.4)
- Consulted on the Animal Management Plan resulting in contributions from 586 people. (C2.4)

Objective C3 - A community that grows together.

- Created a new What's On Guide for Libraries to communicate and promote library events and programs. (C3.1)
- Implemented a recognition strategy for volunteers which provides them with length of service badges for every 5 years. (C3.2)
- Held volunteer appreciation events for volunteers including the End of Year Thank You event for AHC volunteers with 103 in attendance, and an Annual Thank You Volunteer Movie Day with attendance by 616 community volunteers. (C3.2)
- Awarded over \$37,000 worth of community grants as part of the Annual Community Grants program. (C3.3)
- Completed RediCommunities workshops communities in Scott Creek, Ironbank, Bradbury, Longwood, Houghton, Inglewood, Paracombe, Uraidla and Summertown. The workshops support communities to develop action plans to increase their capacity to prepare for, respond to and recovery from future emergencies (C3.4)

Objective C4 - An active, healthy, thriving and resilient community.

- Installed a public art piece in Bushland Park called Reflections of Home which was designed with the community during the Cuddlee Creek bushfire recovery. (C4.1)
- Published new webpage content to provide information about recovery, readiness and resilience for the community to support longer term recovery (C4.1)
- Led the development of the Southern & Hills LGA Regional Public Health and Wellbeing Plan 2022-27, in partnership with its fellow constituent councils, communities and stakeholders across the Southern & Hills region. The Plan identifies key actions the 6 constituent councils will take over the 2022-27 period to help protect and improve the health and wellbeing of their communities (C4.1)
- Created a Club Support Officer role to assist in the rollout of the Community and Recreation facilities framework, and to support clubs and groups to access council services and funding opportunities. (C4.4)
- Supported three Riverland Councils during the 2022-23 River Murray flood event utilising Council's Incident Management Team (C4.5)
- Developed a Recovery Operations Manual to guide Council's community recovery response following an emergency event or natural disaster. (C4.5)

Objective C5 - Respect for Aboriginal culture and values

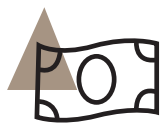
- Submitted the Draft Innovate Reconciliation Action Plan to Reconciliation Australia for feedback on the continued development. (C5.1)
- Provided Reconciliation Week activities including cultural immersive family workshops with bush-tucker tasting, art and stories, and a Nunga Screen short film showcase. (C5.1)
- Offered storytelling and activities in the library as part of book week with David Booth. (C5.2)
- Undertook Kurna place naming at the new Lewis Yarlupurka O'Brien Reserve in Hamilton Hill. (C5.2)

Objective C6 - Celebrate our community's unique culture through arts, heritage and events

- Hosted the final stage of the Santos Tour Down Under which finished at the top of Mt Lofty for the very first time with large numbers of visitors and community visiting right across the circuit. Uraidla was the winner of the overall Best dressed Town prize. (C6.2)
- Hosted the Discover, Play Bikeway! along the Amy Gillett Pathway in March which provided a day of entertainment, food, craft and fun for all ages from Oakbank to Mt Torrens (C6.2)
- Supported writers and provided literary arts, poetry and creative writing experiences through the Winter Words program. (C6.3)

Performance Measures

Measure	Target	Strategic Objective	Reporting Frequency	Actual
CPI-C01 Positive ageing wellbeing score	7 Average	C2	Quarterly	6.8 average - Across the year, the subjective level of wellbeing score fluctuated across the quarters. While the target of 7 was not quite reached, positive factors such as social connections (through participation in programs) and a sense of purpose were consistently present, offering hope for continued improvement in overall wellbeing.
CPI-C02 Community Centre participants who feel better connected to others or community	85%	C2	Bi-annual	Q2 = 82.5% / Q4 = 82% Survey responses were lower from regular participants who were more likely to see better connections from their regular attendance at the centre. More surveys have been received from once off participants who are less likely to experience better connection outcomes from just one encounter.
CPI-C03 Community centre participants who would use the knowledge/skills gained in the future	80%	C3	Bi-annual	Q2 = 74% / Q4 = 80% Survey responses were lower from regular participants who were more likely to see better connections from their regular attendance at the centre. More surveys have been received from once off participants who are less likely to experience better connection outcomes from just one encounter.
CPI-C04 Number of volunteer hours contributed to AHC programs each year	4800	C3	Quarterly	Q1 = 3564 / Q2 = 2744 / Q3 = 2720 / Q4 = 3276 Volunteer numbers are slow to bounce back after COVID which follows the national and global trend
CPI-C05 Library visits per capita compared with the state average	25% above state average	C3	Annually	4.1= AHC 2021-22* / 4.5 = enhanced ALIA target The reporting period of 2021-22 includes periods where in-person library usage was lower due to COVID restrictions and/or lockdowns. *previous year's results reported as ALIA data not available until December
CPI-C06 Library loans per capita compared with the state average	35% above state average	C3	Annually	13 loans 2021-22* / Enhanced ALIA target = 7 per capita Library loans by AHC borrowers exceeded the enhanced ALIA target with 13 loans per capita. * previous year's results reported as ALIA data not available until December
CPI-C07 Attendance at programs, events and workshops at Fabrik Arts & Heritage Hub	8,000	C6	Annually	None - Fabrik closed due to redevelopment works
CPI-C08 Percent of available studio spaces occupied	50	C6	Annually	None - Fabrik closed due to redevelopment works
CPI-C09 Number of events and programs celebrating cultural diversity	8	C6	Annually	8



A Prosperous Economy

Our Strategic Plan 2020-24 – A Brighter Future sets out our goals, objectives and priorities (listed in full in Appendix 3). As it is a four year plan, not every priority will have an achievement listed against it each year.

What we have achieved

Objective E1 - Support and grow our region's existing and emerging industries.

- Installed a RV dump point and approved free camping at Balhannah Oval. Council applied for and received an RV Dump Point from the Campervan and Motorhome Club of Australia's Camp and Dump Point program.(E1.1)
- Attended Adelaide Hills Tourism board meetings and networking events. (E1.1)
- Provided advice and support for Fruit Producers SA members for their industry events including running a workshop for Cherry Trail participants (E1.2)
- Participated in the Echunga Small Acreage Field day providing information on business support services, land management and circular economy/waste services (E1.2)
- Distributed Quarterly e-newsletters which were opened by nearly 10,500 businesses and received an average click rate of 37.5%. (E1.4)
- Developed and uploaded to the website information videos about Councils Economic Development functions. (E1.5)
- Provided training session on how to engage in Council's procurement processes which had 8 businesses attend. (E1.6)

- Processed 20 new applications for both new tourist accommodation buildings and conversion of existing buildings which will contribute to tourism growth. (E1)
- Approved the Function centre/restaurant associated with a cellar door, and a community/function facility at Oakbank and Houghton. (E1)

Objective E2 - Provide local infrastructure to drive growth and productivity.

- Continued to advocate for future transport improvements including actively participating in the Mount Barker and Adelaide Hills Transport Study being undertaken by Department of Infrastructure and Transport. (E2.1)

E3 - Encourage, attract and retain a creative, talented and skilled workforce in our region.

- Advised the Office for Small and Family Business on their engagement with small businesses within the region to help shape their new Small Business Strategy. Attended and contributed to Hon Andrea Michaels MP's roundtable. (E3.2)

E4 - Cultivate a clear, unique and consistent regional identity that can be leveraged to attract national and international attention.

- Participated in a workshop to progress the Adelaide and its Rural Settlement Landscapes initiative resulting in written support from the Deputy Premier for nominations to proceed. (E4.4)

Performance Measures

Measure	Target	Strategic Objective	Reporting Frequency	Actual
CPI-E01 Net Easy Score of respondents who rated ease of getting assistance from Council as Easy or Very Easy v Difficult or Very Difficult	>0	E1	Every 2 Years	Not conducted this financial year
CPI-E02 Visitor numbers (visitor domestic day trips)	1.2mil	E1	Annually	1,210,000
CPI-E03 Average number of days for Building Rules Consents	20 or 60 business days*	E2	Quarterly	Average = 12.6 days
CPI-E04 Percentage of new development application decisions upheld in Council/CAPs favour under appeal	85%	E2	Quarterly	Average 83% In Quarter 1, one of two appeals was not upheld in Council's favour which brought the average down. All other quarters have 100% achievement
CPI-E05 Percentage of Planning Consents completed within statutory time-frames	85%	E2	Quarterly	Average 83%
CPI-E06 Number of local jobs in AHC area compared to previous financial year	Maintain 2019-20 Financial Year = 11200	E3	Annually	Average 92%



A Valued Natural Environment

Our Strategic Plan 2020-24 – A Brighter Future sets out our goals, objectives and priorities (listed in full in Appendix 3). As it is a four year plan, not every priority will have an achievement listed against it each year.

What we have achieved

Objective N1 - Conserve and enhance the regional natural landscape character and amenity values of our region.

- Complete landscaping at the Aldgate roundabout to improve the plants to better suit the conditions. (N1.1)
- Continued riparian restoration works in Cox Creek at Bridgewater Recreation Reserve and Michael Moran Reserve; Kenton Creek in Federation Park; Carey Gully Water Reserve; Lenswood Centennial Reserve; Aldgate Creek in Aldgate Valley Reserve and Heathfield Conservation Reserve, and Woorabinda Bushland reserves; Leslie Creek in Mylor Parklands; and the Onkaparinga tributary in Bradwood Park. (N1.2)
- Registered two new Bushcare Volunteer Groups to assist Council with conservation projects. (N1.2)
- Conducted bushcare on 48 high value reserves. (N1.2)
- Implemented the use of compostable barricade tape in high value reserves to reduce risk of plastic pollution (N1)

Objective N2 - Recognise the benefits of ecosystem services and improve environmental resilience by reducing environmental impacts.

- Undertook 78 assessments across 58 National Vegetation Marker Sites using the Bushrat

Assessment Methodology and as part of the Adelaide Hills Council Roadside Weed Control Work Plan. (N2.1)

- Assessed four Conservation Reserves using the Bushrat Assessment Methodology (N2.1)
- Secured \$10,000 in Heritage Agreement Grant funding for Woorabinda Bushland Reserves (N2.1)
- Partnered in the Nature Conservation Society of SA's Woodland Bird Monitoring Program to track woodland bird populations in the Mount Lofty Ranges (N2.2)
- Complete the following fire prevention activities including 9,410 inspections during the fire danger season; 249 Section 105F notices; 11 Council organised block clearings; 9 expiations for non-compliance and processed 651 Burning Permits
- Completed prescribed burns at 10 sites and undertook post fire weed management. (N2.3)
- Managed 14 conservation reserves and trails targeting woody weeds. (N2.3)
- Managed 146kms of Council Road Reserves and Cleared approximately 22.2 ha of Council Reserves removing of weeds and other fuels which posed a fire risk. (N2.3)
- Supported Trees For Life in managing fire affected Bush For Life sites. (N2.4)

- Supported the efforts of National Parks & Wildlife in managing reserves following bushfire and developing operation guidelines to help inform Councils post fire activities. (N2.4)
- Facilitated seed collection permits where appropriate to assist agencies and individuals in seedling germination projects and revegetation projects (N2.4)
- Increased the number of Heritage Agreements to 19.
- Joined the Bandicoot Superhighway project team to facilitate Southern Brown Bandicoot Conservation
- **Objective N3 - Nurture valuable partnerships and collaborations and engage the local community in the management of our natural environment.**
- Engaged with 3 schools and 1 kindergarten providing environmental education and projects such as bushwalks and revegetation projects.
- Developed environmental website content for public education regarding topics such as roadside vegetation management, weed management, fishing in Council waterways, firewood collection and feral rabbit management. (N3.1)
- Developed informative signage to commemorate school and community efforts in restoration projects. (N3.1)

- Undertook Council wide yabby net swap net program. 80 wildlife friendly 'lift nets' swapped for the newly banned Opera House net designs. (N3.1)
- Provided free butterfly kits to promote awareness of pollinator friendly native plant species good for landscape gardening. (N3.1)
- Participated with various environmental groups such as Green Web to share ideas and provide updates on Council's projects, programs and achievements. (N3.2)
- Continued to support the Trees for Life Partnership which targets the management of 28 Bush For Life sites on Council lands. 39 'adopt-a-site' volunteers were allocated to these sites, contributing an estimated 1,422 hours of site-specific bush regeneration work. (N3.2)
- Organised conservation activities in Hender Reserve for Activities Week with Heathfield High School students (N3.2)
- Collaborated on bushfire mitigation activities as part of the Cross Council Bushfire Action Group consisting of 5 neighbouring councils. (N3.3)

Objective N4 - Reduce the impact of waste to landfill by maintaining a robust waste and resource management framework.

- Completed a high level study of options to reduce waste to landfill and reduce environmental impacts from community waste disposal. (N4.1)

- Resolved to undertake a 12 month trial of changes to the kerbside bin system including provision of green organic bins to rural properties, and changing the collection frequency of green organic bins and residual waste bins (N4.2)
- Continued community waste and recycling education which included 31 sessions at various locations including at schools and community events. (N4.3)
- Continued to provide kerbside waste and recycling services, free green organic drop off days, hard waste collection and the Heathfield Resource Recovery Centre including free household chemical disposal and polystyrene recycling (N4.4)

Objective N5 - Assist our community to reduce the impact of waste to landfill on the environment.

- Undertook kerbside bin audits to maintain understanding of the community's waste and recycling behaviours. (N5.1)
- Provided waste education sessions including providing information on the waste management hierarchy. (N5.2)

Performance Measures

Measure	Target	Strategic Objective	Reporting Frequency	Actual
CPI-N01 Number of Native Vegetation Marker System (NVMS) Bushrat Assessment sites complete (actual versus planned)	60 NVMS sites per annum	N2	Annually	78 Bushrat assessments undertaken across 58 NVMS sites Weather impacts affected planning and final results as well as the number of bushrat assessment areas within each site.
CPI-N02 Woody Weed Control Program - no. of sites complete (actual versus planned)	15 sites per annum	N2	Quarterly	31
CPI-N03 Percent of nuisance and litter queries resolved	90%	N2	Quarterly	Average = 90.5%
CPI-N04 Percent of private properties inspected prior to bushfire season that comply with fuel load management requirements	At least 90%	N2	Annually	97.5%
CPI-N05 Tonnes of green organics collected on Green organic days	150	N4	Quarterly	Q1 = 71 / Q2 = 243 / Q3 = 426 / Q4 = 296 Average = 259 per quarter
CPI-N06 Percentage change in tonnes of waste disposed to landfill compared to previous financial year	Reduction in waste percentage	N5	Annual	Percentage of waste diverted from landfill 2021-22 = 52.6% 2022-23 = 52.6% Diversion rate remained the same as previous financial year. The diversion rate is determined by residents waste disposal practices
CPI-N07 Number of community education actions delivered (Waste Management Strategy 2016-2021) – Actioned vs Planned	6	N5	Quarterly	12

Nuisance & Litter

	Nature	Number
Number of complaints	Illegal Dumping	321
	Noise Complaints	51
	Graffiti	38
	Nuisance	16
	Insanitary Conditions/Vermin	16
	Vandalism/Damage	12
	Air Pollution	11
	Littering	9
	Water Pollution	6
Expiated Offences	Disposal of litter onto any land or into any waters - excess of 50 Litres of class B hazardous or general litter	2
	Carry on an activity resulting in local nuisance	4
	Cause or permit the burning of matter by fire in the open	1
	Failure to comply with Local Nuisance abatement notice	2
Abatement notices issued	Nuisance Abatement Notice	1
Other controls. Eg: civil penalties	Civil Penalty	1



Our Strategic Plan 2020-24 – A Brighter Future sets out our goals, objectives and priorities (listed in full in Appendix 3). As it is a four year plan, not every priority will have an achievement listed against it each year.

What we have achieved

Objective O1 - We have the right people with the right knowledge and skills in the right jobs and they are supported and developed.

- Implemented a WHS Improvement Plan that identifies strategic WHS priorities over a three year period. (O1.1)
- Implemented a number of initiatives and programs to support equity, diversity and continuous improvement. These include the Our Watch Toolkit which focuses on increasing awareness and support for victims of domestic violence; the Disability Action and Inclusion Plan; and the Reconciliation Action Plan. (O1.2)
- Provided opportunity for development of emerging leaders with a number of employees participating in the Management Challenge coordinated through LG Professionals SA (O1.3)
- Updated the induction training program for new employees to include a module on disability inclusion (C1.3)
- Delivered Disability Inclusion Training to Elected Members (C1.3)

Objective O2 - Our customers find it easier to interact and do business with Council and have an improved customer experience.

- Completed a business case for renewal of the Customer Relationship Management (CRM) system, including the high level functional requirements to enable online/digital service delivery. (O2.1)

- Implemented a pilot of automated emails to communicate the outcome of service requests to customers. This pilot was initially implemented on reports of illegal dumping and has since been expanded to updating customer contact detail requests. (O2.2)
- Automated workflow notifications have been introduced for customers with tree enquires from the Confirm Enterprise System. The automated updates to customers are averaging 130 notifications per week (O2.2)
- Continued to undertake regular customer experience surveys to seek feedback from customers on their experience when interacting with Council, including over the phone and when they have a customer case that requires further action or response (O2.4)

Objective O3 - Our organisation is financially sustainable for both current and future generations.

- Undertook an audit of all Council owned buildings to ascertain their current condition and works required including prioritization of those works based on urgency and need. The assets audited included Council's administration buildings, libraries, community centres, sporting clubs, halls, public toilets, sheds and other outbuildings. The building audit has informed building capital works plans for 2023/2024 and will also inform the Council's first Building Asset Management Plan which will also be prepared in 2023/2024. (O3.2)

- Conducted an external services review on the Development Assessment function to analyse the service quality, effectiveness and efficiency (O3.4)

Objective O4 - We actively represent our community.

- Assisted the Electoral Commission of SA in conducting the 2022 Local Government Election and inducted and trained the newly elected Council Members. (O4.2)

Objective O5 - We are accountable, informed, and make decisions in the best interests of the whole community.

- Completed a full review and update of Council's corporate risks (O5.1)
- Conducted a detailed review of the Long Term Finance Plan incorporating significant ongoing savings strategies to keep rate increases below CPI and ensure financial sustainability is maintained. (O5.3)

Objective O6 - Technology and innovation is utilised to better meet our community's expectations and deliver value for money.

- Implemented the Cyber Security Framework established for the Local Government Sector to progress and enhance the Cyber Security Program. (O6.1)
- Implemented Cloud reporting tools (PowerBI) to enable presentation of corporate data into informative reports. (O6.2)

- Implemented a cloud based CMS (Content Management System) as part of phase 1 of the Council Web site renewal program. (O6.3)
- Recorded over 18,700 visits to our engagement page from 1 July 2022 to 30 June 2023. The highest engagement was for the Animal Management Plan Consultation with over 540 people completing the online survey. (O6.4)
- Held the Bridgewater Community Forum where over 70 ideas were submitted. (O6.4)

Performance Measures

Measure	Target	Strategic Objective	Reporting Frequency	Actual
CPI-O01 Number of Lost time injuries	0	O1	Quarterly	3 - Whilst we must always target an LTI of zero, the actual level of reported is still considerable historically low for both the sector and AHC. All three incidents were minor.
CPI-O02 Customer Net Ease Score (NES)	50	O2	Bi-annual	Q2 = +66 / Q4 = +42 / Annual figure = 46 The Net Ease Score consistently indicates higher satisfaction levels (56+) among customers who contact the Council by phone, compared to those who use our CRM system (34+). This highlights an area of improvement in terms of providing better responses and services to customers.
CPI-O03 Overall customer satisfaction	75%	O2	Bi-annual	Q2 = 79% / Q4 = 71% / Annual figure = 73% It is crucial to enhance our communication approach by providing clearer updates and information to keep customers informed about the progress of their requests. This will contribute to improving their overall experience and building trust and satisfaction.
CPI-O04 Operating Surplus Ratio	1-5%	O3	Annually	2.6%
CPI-O05 Net Financial Liabilities Ratio	25-75%	O3	Annually	42%
CPI-O06 Asset Sustainability Ratio	95-105%	O3	Annually	98%
CPI-O07 Decisions (Council resolutions) considered in open Ordinary & Special Council meetings during the reporting period	90%	O4	Quarterly	94% average
CPI-O08 Council member attendance at Ordinary & Special meetings	90%	O4	Quarterly	90% average
CPI-O09 FOI requests completed within the legislated time-frame	100%	O6	Quarterly	95% - In Quarter 3, one internal review was completed just outside of legislative timeframes. All other quarters achieved 100% target
CPI-O10 Ombudsman investigations upholding Council's decisions (general investigations and FOI external reviews)	100%	O6	Quarterly	100%
CPI-O11 Employee Turnover	7-15%	O1	Quarterly	10.9%

Our Focus in 2023-2024

In addition to continuing our day to day services and programs, we are implementing strategic initiatives to further develop and support our region. Some highlights are included under each of the following long term goals.



A Functional Built Environment

- Delivering of road safety initiatives under the federally funded Black Spot Program.
- Installation of further electric vehicle charging stations.
- Stormwater master planning and implementation for the management of stormwater in the Balhannah township.



Community Wellbeing

- Continued development of Fabrik Arts and Heritage Hub as a facility offering exceptional cultural experiences, providing social, educational and economic outcomes for the region.
- Implementation of the Community and Recreational Facilities Framework and the Play Space Framework.
- Implementation of the 'Our Watch Toolkit for Local Government' for the prevention of domestic and family violence in our community.
- Implementation of the Towards Community Led Resilience Program.
- Identification of initiatives to develop community connections within and between the established and newly developed areas of Woodforde.



A Valued Natural Environment

- Undertake a trial on changes to kerbside bin system collection frequency and a trial on increased rural food/organics/green organics waste collection.
- Local climate adaptations for landscape conservation.
- Post-prescribed burn weed management.
- Develop a strategy for management of Council trees across the district.



A Prosperous Economy

- Support the Tour Down Under in 2024
- Collaborate with Adelaide Hills Tourism to promote and support tourism across our region.
- Encourage and support the continued development of a Home-Based Business Network.
- Undertake a biannual business survey
- Advocate for key economic development issues in the region with other levels of government.



A Progressive Organisation

- Development of a new Strategic Plan which sets Council's goals and objectives over the next four years.
- Conducting a representation review.
- Further developing Council's new website to provide more streamlined customer services and access to information commonly sought by the community.
- Upgrading the GPS units for operational vehicles to run on the 4G network.

Our Governance

Governance refers to the rules, practices and processes by which Council is directed and controlled. Adelaide Hills Council continuously strives for best practice in Governance by being:

- Accountable, transparent and responsive,
- Effective and efficient,
- Participatory, equitable and responsible, and
- By meeting legislative obligations.

The following information reports on our governance activity during 2022-23.

Good Governance is accountable, transparent and responsive

Council Meetings

Council is the ultimate decision-making body of the organisation; it consists of the Mayor and 12 Councillors. Council meetings were held on the second and fourth Tuesday of every month. All Council and Council Committee meetings are open to the public unless specific provisions in the *Local Government Act 1999* are satisfied to require the closing of the meeting under a confidentiality order.

Council meetings held in 2022-23:

- 17 ordinary meetings
- 3 special meetings

Council Committee meetings held in 2022-23:

- 6 Audit Committee meetings
- 2 Special Audit Committee meetings
- 4 CEO Performance Review Panel meetings
- 2 Boundary Change Committee meetings

The attendance of the Mayor and Councillors at 2022-23 Council and Committee meetings is detailed in the following tables.

Council Meeting attendance between 1/6/2022 to 23/11/2022

Council Meeting Type	Ordinary Council		Special Council	
Total Meetings Held	4		2	
	P	A	P	A
Mayor Jan-Claire Wisdom	4	0	2	0
Cr Nathan Daniell	4	0	2	0
Cr Ian Bailey	4	0	2	0
Cr Kirrilee Boyd	4	0	2	0
Cr Pauline Gill	4	0	2	0
Cr Chris Grant	3	1	0	2
Cr Linda Green	4	0	1	1
Cr Malcolm Herrmann	4	0	2	0
Cr John Kemp	3	1	2	0
Cr Leith Mudge	4	0	2	0
Cr Mark Osterstock	4	0	2	0
Cr Kirsty Parkin	4	0	2	0
Cr Andrew Stratford	4	0	2	0

Council Meeting attendance between 23/11/2022 to 30/06/2023

Council Meeting Type	Ordinary Council		Special Council	
Total Meetings Held	4		2	
	P	A	P	A
Mayor Jan-Claire Wisdom	12	1	1	0
Cr Nathan Daniell	11	2	1	0
Cr Kirrilee Boyd	11	2	1	0
Cr Adrian Cheater	10	3	1	0
Cr Pauline Gill	6	7	0	1
Cr Chris Grant	10	3	0	1
Cr Lucy Huxter	12	1	1	0
Cr Malcolm Herrmann	12	1	1	0
Cr Leith Mudge	13	0	1	0
Cr Mark Osterstock	13	0	1	0
Cr Kirsty Parkin	10	3	1	0
Cr Louise Pascale	11	2	1	0
Cr Melanie Selwood	13	0	0	1

P = Present (number of meetings attended) A = Apology (number of meetings not attended)

Good Governance is effective and efficient

Council Member training and development

Council is committed to providing training and development activities for Council Members and recognises the responsibility to develop and adopt a policy for this purpose under Section 80A of the Local Government Act 1999.

Monthly professional development training sessions have been held for Council Members. Professional development sessions conducted in-house are Closed Information or briefing sessions for the purposes of the Information or Briefings Policy. The dates and venues for these sessions are publicly documented in agendas for Ordinary Council meetings and are posted on the Council's website.

Good Governance is participatory, equitable and responsible

Allowance paid to Council Members

Council Members are entitled to receive an annual allowance, as determined by the Remuneration Tribunal pursuant to Section 76 of the Local Government Act 1999 (the Act) for performing and discharging their official functions and duties.

Pursuant to the Remuneration Tribunal's determination, the following amounts were prescribed for Council Members 2022-23:

Period	Annual Allowance prior to 23/11/2022	Annual Allowance after 23/11/2022
Mayor/Principal member	\$74,212	\$76,440
Deputy Mayor/Presiding member of a prescribed committee*	\$23,171	\$23,887
Other Council Members	\$18,533	\$19,110

*Council's prescribed committees are the Audit Committee, Boundary Change Committee and the CEO Performance Review Panel.

In addition to the allowance paid under section 76 of the *Local Government Act 1999*, Council Members were entitled to receive the following under the Council Member Allowances and Support Policy. Council members are not provided with purchase cards, and are instead provided with reimbursements or provisions such as:

- Reimbursement for travelling within/outside the area of Council and child/dependent care expenses associated with attendance at a Prescribed Meeting or undertaking a function or activity on the business of Council.
- Provision of an annual Travel Time Payment for Members residing greater than 30km from the Principal Office.
- Reimbursement of other expenses including:
 - o Stationary and office supply expenses
 - o Conference, seminar and training course fees and associated travel expenses.
- Provision of the following to assist Members in performing their official functions:
 - o An iPad (or similar tablet computer), associated software and 4G/5G connection for document management (including Council Agenda and Minutes), communication and research (both Council workspace and internet)
 - o A Council email address
 - o A mobile phone (including SIM) if requested
 - o Paper for printing
 - o Stationery (such as pads, pens, diaries, etc.)
 - o Meals and beverages provided in association with attendance at prescribed meetings.

Notwithstanding their entitlement under the Policy, not all of these provisions were accessed by all Council Members.

In addition to these, Council resolved to make available to the Mayor (or Deputy Mayor during the Mayor's absence) the following additional facilities and support to assist them in performing and discharging their official functions and duties:

- Laptop computer with appropriate software
- Supply and maintenance of a motor vehicle (not allocated in 2022-23)
- Mayoral Office accessible 24/7 providing desk and meeting facilities
- Provision of media and communications support
- Access to administrative officer services.

The Chief Executive Officer maintains a Register of Allowances and Benefits provided to Council Members which is available to the public on our website.

Council Member Interstate and International Travel

During 2022-23, the following interstate and international travel was conducted by Council Members:

Event	Date	Location	Travel Expenses
National General Assembly (NAG) for Local Government	13/6 – 16/6/2023	Canberra	\$3,290

Local Government Act 1999 Section 41 Committees

The Adelaide Hills Council has three Section 41 (Council) Committees which operate under Terms of Reference determined by Council.

1. Audit Committee,
2. CEO Performance Review Panel, and
3. Boundary Change Committee

Audit Committee

The Audit Committee was established by Council in 2005 in accordance with Section 126 of the *Local Government Act 1999* (the Act).

The Audit Committee's role is to assist Council in the discharge of its responsibilities for financial reporting, maintain a reliable system of internal controls, risk management and asset management, liaise with the external auditor, and foster the organisation's ethical development.

There are five members of the Audit Committee, three independent members and two Council Members. The membership and attendance during the financial year was:

Audit committee - Member name	Ordinary Meetings - 6		Special meetings - 2	
	No of meetings present	No of meetings Absent/apology	No of meetings present	No of meetings Absent/apology
Cr Malcolm Herrmann (Presiding Member)	6	0	2	0
Cr Leith Mudge Until 30/11/2022	2	0	0	0
Cr Melanie Selwood Commenced 30/11/2022	4	0	2	0
Peter Brass (Independent member)	6	0	2	0
Natalie Johnston (Independent member) Until 30/4/2023	5	0	1	0
David Moffatt (Independent member)	6	0	2	0
Pamela Lee (independent member) Commenced 1/5/2023	2	0	1	0

Six (6) ordinary meetings and two (2) special meeting was held during 2022-23. Sitting fees were paid to independent members of the Audit Committee. The Presiding Member receives an allowance equivalent to that received by Presiding Members of Prescribed Committees in accordance with the Remuneration Tribunal's determination.

Sitting fees paid until 30 June 2023:

- Independent Presiding Member: \$575 per meeting (not utilised in 2022-23).
- Independent Member: \$450 per meeting.

Chief Executive Officer Performance Review Panel

The Chief Executive Officer Performance Review Panel (CEOPRP) was established in 2014 to provide advice to Council on matters related to the Chief Executive Officer (CEO) and their performance.

In 2022-23, a process was undertaken to review the CEO's performance against the position description requirements and the agreed set of key performance indicators for the year. External advice was also received on the remuneration package payable.

Membership and attendance during the financial year was:

Member name	No. of meetings present	No. of meetings absent or apology
Cr Mark Osterstock (Presiding Member until 29/11/2022)	2	1
Cr Chris Grant (Presiding member from 29/11/2022)	3	1
Mayor Jan-Claire Wisdom	3	1
Cr Nathan Daniell	3	1
Cr Kirsty Parkin (member from 29/11/2022)	0	1
Ms Janet Miller (Independent member)	4	0

Four (4) ordinary meetings were held in 2022-23. The Presiding Member receives an allowance equivalent to that received by Presiding Members of Prescribed Committees in accordance with the Remuneration Tribunal's determination.

Sitting fees paid until 30 June 2023:

- Independent Presiding Member: \$575 per meeting (not utilised in 2022-23).
- Independent Member: \$450 per meeting.

Boundary Change Committee

The Boundary Change Committee was established in 2022 to provide advice to Council regarding the operation and implications of Chapter 3 – Constitution of councils, and Part 2 – Reform proposals of the Act associated with the Campbelltown City Council Woodforde/Rostrevor boundary change proposal.

The committee comprises five (5) members which include the Deputy Mayor of Council and four (4) Council Members.

Membership and attendance during the financial year was:

Member name	No. of meetings present	No. of meetings absent or apology
Cr Mark Osterstock (Presiding Member)	2	0
Cr Leith Mudge Commenced 29/11/2022	1	0
Cr Nathan Daniell Commenced 29/11/2022	1	0
Cr Kirsty Parkin	2	0
Cr Ian Bailey Ceased 29/11/2022	1	0
Cr John Kemp Ceased 29/11/2022	1	0

Two (2) ordinary meetings were held in 2022-23. The Presiding Member receives an allowance equivalent to that received by Presiding Members of Prescribed Committees in accordance with the Remuneration Tribunal's determination.

No additional allowance is paid to the Members of the Committee over and above the allowance already received by Council Members in accordance with the determination of the Remuneration Tribunal.

Council's Assessment Panel (CAP)

As a result of the State Government's rollout of the Planning Reform for South Australia Adelaide Hills Council established a Council Assessment Panel (CAP) as required by Sections 82 and 83 of the Planning, Development and Infrastructure Act 2016 (PDI Act). This CAP replaced the former Council Development Assessment Panel and membership comprises one Council member and four Independent members (which includes an Independent Presiding member).

Membership and attendance during the financial year was:

Member name	No. of meetings present	No. of meetings absent or apology
Geoff Parsons (Independent Presiding Member)	6	1
Ross Bateup (Independent Member)	7	0
Myles Somers (Independent Member)	6	1
Paul Mickan (Independent Member)	7	0
Cr John Kemp (Council Member ceased 29 Nov 2022)	3	0
Cr Leith Mudge (Deputy Member* ceased 29 Nov 2022) (Council Member commenced 29 Nov 2022)	3	0
Cr Nathan Daniell (Deputy Member* commenced 29 Nov 2022)	0	0

**The Deputy Member only attends meetings where the Council Member cannot attend*

The Panel considers certain development applications (i.e. requests from people wishing to construct buildings or undertake other developments in the area) which cannot be decided upon by staff under delegation. It also hears submissions lodged in relation to publicly notified development applications. CAP meetings are generally held in Stirling on the second Wednesday of each month from 6:30pm. In 2022-23, 7 meetings of the Panel were held.

Sitting fees paid to independent members of the CAP were:

- Independent Presiding Member: \$550 per meeting
- Independent Ordinary Member: \$420 per meeting
- Council Member: \$293 per meeting

Council Advisory (Working) Groups

Advisory Groups, operating under their own terms of reference, provide advice and support to Council's administration.

The following Adelaide Hills Council's Advisory (Working) Groups were in place until November 2022:

- Biodiversity Advisory Group
- Bushfire Advisory Group
- Cemetery Advisory Group
- Property Advisory Group
- Rural Land Management Advisory Group
- Sustainability Advisory Group
- Community & Recreation Facility Framework Internal Working Group
- AHC Reconciliation Working Group

These Groups do not report directly to Council however they provide advice to the Administration which informs Council and Committee decisions.

Building Fire Safety Committee

Council's Building Fire Safety Committee held 7 scheduled meetings during the year to review the adequacy of fire safety for large buildings in the district with an aim of improving the level of fire and life safety. The membership of the Committee was amended halfway through the year with a new Presiding Member joining the Committee with experience in fire safety. Members and attendance for the Committee was:

Member name	No. of meetings present	No. of meetings absent or apology
Colin Paton - (CFS Representative)	7	0
Louis Palumbo - Council Staff Member (Experience in Fire Safety)	7	0
Tom Warneke - Council Staff Member (Qualifications in Building Surveyor)	6	1

The Committee conducted 24 inspections and considered 18 buildings during the year, working with building owners to negotiate an improved level of safety for their buildings in relation to fire exits, emergency lighting, fire-fighting equipment, water supply, hydrant coverage, access for fire services, and bushfire survival plans. One (1) new fire safety defect notice was issued during 2023 and six (6) of the buildings requiring upgrades. The negotiated works were completed enabling the Committee to acknowledge the owners co-operation and works undertaken to improve the fire and life safety of their buildings. Additionally, the Committee progressed the aluminium composite panel (ACP) investigations for the three identified buildings with the ACP removed and replaced in one case and solutions continuing to be negotiated in regards to the other two buildings.

Information or Briefing Sessions

Information or Briefing Sessions (workshops, briefings, and professional development sessions) are held with Council Members twice a month and provide a valuable opportunity to enhance the decision-making process. Council and Committee Members use the gatherings to become better informed on issues, seek further clarification, or explore a topic further in an informal environment.

Information or Briefing Sessions are not used to make decisions; all decision-making is conducted at the formal Council and Section 41 Committee meetings. Information or Briefing Sessions that involve the discussion of matters that will be considered at a formal council or council committee meeting must be open to the public unless the appropriate confidentiality provisions of the Local Government Act 1999 are utilised.

All Information or Briefing Sessions are advertised on the Council website.

Date of Information Gathering	Topic	Type of Session
12/07/2022	Event Waste and Recycling	ODIG
12/07/2022	Management of Built Heritage - Policy and Procedure Review	ODIG
12/07/2022	Community & Recreation Facilities Framework	ODIG
12/07/2022	CEO Update	OIG
19/07/2022	Council & Committee Meetings and Information & Briefing Session (including Advisory Groups) arrangements	ODIG
19/07/2022	Land Acquisition Offer	CDIG
19/07/2022	CEO Update	OIG
9/08/2022	Regional Public Health Plan 2022-27	ODIG
9/08/2022	Quarterly Performance Reporting - Key Projects	ODIG
9/08/2022	Stirling Library Lawn - replacement structure	ODIG
9/08/2022	CEO Update	CDIG
16/08/2022	Disability Inclusion Webinar	CIG
16/08/2022	St Johns Road Norton Summit (CFS & Church boundary realignment)	ODIG
16/08/2022	CEO Recruitment - Acting and Substantive	ODIG
16/08/2022	Election Preparation and Caretaker Refresher	ODIG

Date of Information Gathering	Topic	Type of Session
16/08/2022	CEO Update	CDIG
13/09/2022	High level Waste and Recycling Studies	ODIG
13/09/2022	Profile ID - Census data	OIG
13/09/2022	2022-23 Service Review Discussion	ODIG
13/09/2022	CEO Update	ODIG
20/09/2022	Miscellaneous Technical Enhancement Code Amendment – AHC Draft Submission	ODIG
20/09/2022	Understanding LGGC model	ODIG
20/09/2022	CEO Update	ODIG
11/10/2022	Context setting for LTFP	ODIG
11/10/2022	Electricity Tender	ODIG
11/10/2022	Expert Panel - Planning System Implementation Review	ODIG
11/10/2022	CEO Update	ODIG
18/10/2022	Presentation from South Australian Local Government Grants Commission	ODIG
18/10/2022	Stirling Business Association (SBA) Update	ODIG
18/10/2022	Reflection on 2018 -2022 term by Council Members	OIG
18/10/2022	CEO Update	ODIG
23/11/2022	Photos & Taking Oath	OIBS
26/11/2022	Council Member Induction	OIBS
5/12/2022	Manadatory Training - Strategic Management Planning	OIBS
5/12/2022	Mandatory Training - Financial Sustainability & Long-Term Financial Plan (LTFP)	OIBS
5/12/2022	CEO Update	OIBS
13/12/2022	Directorate Presentation - Community Capacity	OIBS
13/12/2022	Expert Planning Review	OIBS
13/12/2022	Directorate Presentation - Development & Regulatory Services	OIBS
13/12/2022	Directorate Presentation - Office of the CEO	OIBS
13/12/2022	Substantive CEO Recruitment	OIBS

Date of Information Gathering	Topic	Type of Session
13/12/2022	CEO Update	OIBS
17/01/2022	Animal Management Plan (AMP)- Consultation	OIBS
17/01/2022	Directorate Presentation - Corporate Services	OIBS
17/01/2022	Directorate Presentation – Infrastructure & Operations	OIBS
17/01/2022	Council Member Mandatory Training - Effective Meetings & Meeting Procedure	OIBS
17/01/2022	CEO Update	OIBS
6/02/2023	Council Member Mandatory Training – Introduction to Local Government	OIBS
6/02/2023	Advisory Groups Review	OIBS
6/02/2023	LTFP Workshop Preliminary Briefing	OIBS
6/02/2023	Amy Gillett Bikeway	OIBS
6/02/2023	CEO Update	OIBS
11/02/2023	LTFP Workshop	OIBS
21/02/2023	Council Member Mandatory Training – Legal	OIBS
21/02/2023	CEO Update	OIBS
6/03/2023	Kerbside Bin System Options	OIBS
6/03/2023	Tourism – one of our engines	OIBS
6/03/2023	Workshop on Workshops	OIBS
6/03/2023	CEO Update	OIBS
21/03/2023	Council Member Mandatory Training – RECORDS MANAGEMENT	OIBS
21/03/2023	Strategic Plan Introduction	OIBS
21/03/2023	Library Opening Hours	OIBS
21/03/2023	CEO Update	OIBS
1/04/2023	ABP Workshop	OIBS
3/04/2023	Strategic Plan (reconvene)	OIBS
3/04/2023	Compliance - Education vs Enforcement	OIBS
3/04/2023	LGA Ordinary General Meeting	OIBS

Date of Information Gathering	Topic	Type of Session
3/04/2023	CEO Update	OIBS
11/04/2023	Amy Gillett Update	CIBS
18/04/2023	MANDATORY TRAINING – Behavioural Modules	OIBS
18/04/2023	Behavioural Support Policy – do we need one?	OIBS
18/04/2023	CEO Update	OIBS
26/04/2023	2023-24 Annual Business Plan - Additional Workshop Items	OIBS
1/05/2023	Innovate Reconciliation Action Plan	OIBS
1/05/2023	Remoteness Sculpture Treatment	OIBS
1/05/2023	Legislative Delegations	OIBS
1/05/2023	CEO Update	OIBS
5/06/2023	Service Review - Planning and Development	OIBS
5/06/2023	First Nations Use of Council land	OIBS
5/06/2023	Draft ABP and Rating Structure Change consultation results	OIBS
5/06/2023	Delegations Review – LG Act	OIBS
5/06/2023	CEO Update	OIBS
20/06/2023	WH&S at AHC	OIBS
20/06/2023	Implementation of the Our Watch Toolkit (includes training)	OIBS
20/06/2023	Ashton Landfill Update	CIBS
20/06/2023	CEO Update	OIBS

CIG - Closed Informal Gathering

OIG - Open Information Gathering

CDIG - Closed Designated Informal Gathering

ODIG - Open Designated Informal Gathering

CIBS - Confidential Information or Briefing Session

OIBS - Open Information or Briefing Session

Ordinary Council Meeting agendas publicly document the dates and venues of regular workshops and professional development sessions. The professional development sessions are reported under Council Member Training and Development and are run as Closed Informal Gatherings.

Agendas and Minutes

All Council, Committee and CAP meeting agendas are placed on public display at least three days prior to the holding of these meetings.

Minutes are placed on display within five days of meetings. Copies of agendas and minutes are available at Council's service centres and libraries, and can be downloaded from the Council's website.

Section 90(2) and 91(7) Requirements - confidentiality orders

During 2022-23, 28 new items were considered in closed session in accordance with Section 90(2) of the Local Government Act 1999, and 12 items remained on the register from the previous financial years. Of these, 18 items were released in full and 22 remained in confidence, in accordance with Section 91(7) of the Act as at 30 June 2023.

Date	Council/Committee	Item No.	Title	LGA 1999 Section	New confidentiality recommendation/Date released	Status as at 30 June 2023
22/04/2014	Council	18.2.1	AHRWMA	90(3)(b,d,i)		Retained in confidence
1/08/2018	Special Council	7.2.1	Retirement Village Review	90(3)(b)		Retained in confidence
23/06/2020	Council	18.1.1	Event Opportunity	90(3)(j)	5 September 2022	Released
27/01/2021	Council	18.2	CWMS Review	90(3)(d)		Retained in confidence
25/05/2021	Ordinary Council	18.1.1	Multi-Year Road Rally Proposal	90(3)(d)	Partial release 08 October 2021. Redaction and Appendices Remain Confidential	Retained in confidence
22/06/2021	Ordinary Council	18.2	Event Opportunity - SANTOS TDU 2022	90(3)(j)	20 February 2023	Retained in confidence
22/06/2021	Ordinary Council	18.1.1	Cyber Security Plan	90(3)(e)	20 February 2023	Retained in confidence
26/10/2021	Council	18.2	Ashton Landfill	90(3)(i)		Retained in confidence
26/10/2021	Council	18.1	Electricity Procurement Legal Matter	90(3)(h)		Retained in confidence
26/04/2022	Council	11.1.2	Property Lobethal Road, Lenswood - Confidential	90(3)(a)	Minute not confidential	Retained in confidence
28/06/2022	Council	18.1	Warren Road Birdwood Blackspot	90(3)(d)		Retained in confidence
28/06/2022	Council	18.3	Ashton Landfill	90(3)(i)		Retained in confidence
28/06/2022	Council	18.4	East Waste Charter Amendment	90(3)(k)	19 September 2022	Released
28/06/2022	Council	18.2	Event Opportunity – Santos Tour Down Under 2023	90(3)(j)	16 September 2022	Released
28/06/2022	Council	18.5	Fabrik redevelopment Project – Construction Contract	90(3)(d)	19 August 2022	Released
4/08/2022	CEO PRP	10.1.2	CEO Performance & Remuneration Report - Confidential Item	90(3)(a)	7 September 2022	Released
4/08/2022	CEO PRP	10.1	CEO Performance & Remuneration Report	90(3)(a)	7 September 2022	Released
23/08/2022	Council	18.5	Ministerial Exemption	90(3)(i)		Retained in confidence
23/08/2022	Council	18.4	Revised East Waste 2022-23 Annual Plan & Budget	90(3)(d)		Retained in confidence
23/08/2022	Council	18.3	East Waste Recycling Contract	90(3)(d)		Retained in confidence

Date	Council/Committee	Item No.	Title	LGA 1999 Section	New confidentiality recommendation/Date released	Status as at 30 June 2023
23/08/2022	Council	18.2.1.1	Acting and Substantive Chief Executive Officer Recruitment – Acting CEO Selection Panel	90(3)(a)	7 September 2022	Released
23/08/2022	Council	18.2	Acting and Substantive Chief Executive Officer Recruitment	90(3)(a)	7 September 2022	Released
23/08/2022	Council	18.1	2022 CEO Performance & Remuneration Reviews	90(3)(a)	7 September 2022	Released
20/09/2022	Special Council	8.1.2	Appointment of Acting CEO	90(3)(a)	21 September 2022	Released
27/09/2022	Ordinary Council	18.1	CEO Performance Review Panel Independent Member	90(3)(a)	30 September 2022	Released
12/12/2022	Audit Committee	10.3	External Audit Tender	90(3)(d)	Partial release 20 February 2023. Appendix 2 remains in confidence	Retained in confidence
20/12/2022	Council	18.3	Appointment of External Auditor	90(3)(d)	20 February 2023	Released
20/12/2022	Council	18.1	Surplus Government Land Notification	90(3)(d)		Retained in confidence
24/01/2023	Council	18.1	Appointment of Audit & Risk Committee Independent Members to the Adelaide Hills Region Waste Management Authority	90(3)(a)	30 June 2023	Released
14/02/2023	Council	9.1	South Australian Tourism Commission re Santos Tour Down Under	90(3)(j)		Retained in confidence
14/02/2023	Council	18.1	18.1 Substantive CEO Recruitment – Remuneration & Independent Advice	90(3)(b)	19 May 2023	Released
11/04/2023	Council	18.1.1	Audit committee Independent Member Appointment	90(3)(a)	30 April 2023	Released
26/04/2023	Council	18.1	Amy Gillett Bikeway Stage 4 Agreement	90(3)(j)		Retained in confidence
9/05/2023	Council	18.1	Bridgewater Retirement Village	90(3)(b)		Retained in confidence
12/05/2023	Special Council	8.1	Appointment of Substantive Chief Executive Officer	91(9)(c)	19 May 2023	Released
23/05/2023	Council	18.1.1	Event Opportunity Santos Tour Down Under	90(3)(j)		Retained in confidence
23/05/2023	Council	18.2.1	Electricity Tenders Post 30 June 2023	90(3)(k)	30 June 2023	Released
13/06/2023	Council	18.1	Sale of Land for non payment of Rates	90(3)(i)		Retained in confidence
27/06/2023	Council	18.1	Appointment of GRFMA Chairperson	90(3)(a)		Retained in confidence

Council's Representation Quota

The Adelaide Hills Council's total representation quota (the number of electors for each Council Member including Mayor) in 2022-23 is 1 for every 2,330 electors. The total number of electors is 30,295.

The Adelaide Hills Council's representation quota is comparable with councils of similar populations (albeit different numbers of Council Members):

- City of Holdfast Bay (electors 28,533) = 1:2,194
- City of Mount Barker (electors 28,675) = 1:2,606
- City of Norwood Payneham and St Peters (electors 26,147) = 1:1,867
- Burnside (electors 32,295) = 1:2,484
- City of Unley (electors 28,092) = 1:2,160.

(Data source: Electoral Commission SA 2023 (made available via LGA))

The next representation review is scheduled to commence April 2024, at which time electors will be advised of the process to make submissions on representation under the Local Government Act 1999.

Public involvement in Council business

Members of the public may put forward their views to Council in a number of ways.

Public Forum

Any member of the public is allocated up to five minutes at each Council meeting to address the Members with comments or questions.

Deputations and Presentations

With the permission of the Mayor or Committee Presiding Member, a member of the public can address a Committee or the Council personally or on behalf of a group of residents as a deputation or presentation. Each deputation is usually limited to a maximum of ten minutes. People wishing to access this opportunity should make prior arrangements through the Mayor's Office on (08) 8408 0438.

Petitions

Written petitions can be addressed to Council or a Committee on any issue within the Council's jurisdiction and these are presented at the next meeting of Council or Committee following receipt. Petitions must be in the format set out in legislation; Council's Petitions Policy provides guidelines on these requirements as well as on submission.

Written Requests

A member of the public can write to the Council about any Council service, activity or policy via post or email.

Chief Executive Officer
Adelaide Hills Council
63 Mount Barker Rd, Stirling, SA 5152
mail@ahc.sa.gov.au

Community Engagement

The Adelaide Hills Council engages with local residents about many issues that may affect their neighbourhoods. Formal consultations are guided by Council's Public Consultation Policy. Everyone is encouraged to contribute to projects via the Your Say website at engage.ahc.sa.gov.au, by emailing engage@ahc.sa.gov.au, post, calling 8408 0400 or attending online or face to face drop in sessions. Over the last financial year there were 18,700 visits to the Your Say website and 17 community engagement projects for contributions or information. We held online engagement sessions, face to face engagement days

One Community Forum was held in 2022-23 (separate from Ordinary Council Meetings), this was in Bridgewater on Tuesday 30 August 2022 with 52 people attending. Local community members and groups are invited to attend Community Forums across the district and to address Council on new initiatives or topics of concern. Holding the forums in different townships in the Council area is an important method of providing residents with opportunities to speak in person with Council Members and senior staff. We are re-assessing how we undertake community forums to best suit our community.

The Bi-annual Community Survey was undertaken in May- June 2023 and we received over 726 responses.

Internal review of Council decisions

The Council's Internal Review of Council Decisions Policy provides a process pursuant to Section 270 of the Local Government Act 1999 for people to request a formal internal review of a decision made by Council (including by staff acting under delegation).

Formal reviews are normally the final avenue for a complainant before raising the matter with external agencies such as the South Australian Ombudsman. Formal internal reviews are distinct from routine complaint handling processes in that they involve a higher degree of scrutiny of the decision making process and merit and are conducted by a person who was not involved in the original decision.

- Internal reviews in progress at 1 July 2022: 2
- Internal review requests received in 2022-23: 3
- Internal reviews closed in 2022-23: 5
- Internal reviews in progress at 30 June 2023: 0

Summary of internal review requests dealt with during 2022-23

Internal review subject	Lodged	Closed	Outcome
Decision by Council (staff) to deny use of unmade road reserve to the rear of applicant's property for vehicular access	12 October 2021	29 November 2022	Original decision upheld
Decision by Council (staff) to not issue a permit over the use of unmade road reserve to the rear of applicants' property	27 February 2022	2 September 2022	Original decision upheld
Decision by Council (staff) to not issue a permit for vehicle access to applicant's property in the applicant's preferred location	7 August 2022	11 November 2022	Withdrawn by applicant
Decision by Council (staff) not to remove tree(s) in verge outside applicant's residence	26 August 2022	2 September 2022	Review terminated with consent of the applicant (matter resolved to applicant's satisfaction)
Inaction by Council and other agencies regarding stormwater management	9 March 2023	12 April 2023	Did not proceed to formal lodgement following consultation with applicant

Freedom of Information requests

Twelve requests for information were made under the Freedom of Information Act 1991 during the 2022-23 financial year; a decrease from thirty-three managed in the previous year. Three applications rolled over from the 2020-21 year making the total managed during 2022-23 financial year being fifteen.

Freedom of Information (FOI) applications can be submitted using an FOI Application form, available from the State Records website, Council's website, or any of Council's Service Centres or by way of a request in writing. An application fee (in accordance with Council's Fees and Charges Policy) must accompany the application.

The State Records website provides detailed information on the FOI process or you can contact Council's FOI Officer. Requests should be forwarded to:

Freedom of Information Officer
Adelaide Hills Council
63 Mount Barker Road, STIRLING SA 5152

The Freedom of Information Statement is reviewed and published annually on our website in accordance with the requirements of the Freedom of Information Act 1991.

Annual Reporting is provided to State Records of South Australia at the end of each financial year, below outlines 2022-23 outcomes for Adelaide Hills Council.

FOI Requests	Total
Outstanding from previous period	3
New applications	12
Total to be processed	15
Transferred in full	0
Determined - Full release	5
Determined - Partial release	1
Determined - Refused	2
Withdrawn	2
No records available	1
Information previously provided	1
Outstanding at the end of the period	2
Internal review completed	1
External review completed	3 (1 withdrawn)

Amendment to Council Records

Any member of the public may inspect Council documents relating to their personal affairs with a request under Part 4 Division 2 of the Freedom of Information Act 1991. Access to the records is possible through the completion of a Freedom of Information Request Form.

A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out-of-date. Amendments to Council records must be requested using a Freedom of Information Amendment of Records Form.

Fraud and corruption prevention

Council recognises that fraud and corruption have the potential to cause significant financial and non-financial harm, and that the prevention and control of fraud and corruption should feature predominantly within the systems and procedures of a responsible council.

Council is committed to acting in the best interest of the community and to upholding the principles of honesty, integrity and transparency; the key components of good governance. A *Fraud and Corruption Prevention Policy* has been adopted by Council to provide guidance in managing these risks.

Council adopted a *Public Interest Disclosure Policy* to facilitate the disclosure of public interest information and provide guidance on the management and investigation of disclosures. This Policy and associated procedures have been developed in accordance with the *Public Interest Disclosures Act 2018* which replaced the *Whistleblowers Protection Act 1993* from 1 July 2019.

Delegations and sub-delegations

The Chief Executive Officer and other officers have the delegated authority from Council (in accordance with Section 44 and 101 of the Local Government Act 1999) to make decisions on a number of specified administrative and operational matters.

The Register of Delegations reflects the delegated authority from Council to the Chief Executive Officer (and subsequently any sub-delegations) and this is visible on Council's website. As a minimum, delegations are reviewed annually.



Good Governance involves meeting our legislative obligations

Registers, codes and policies

Documents available for public inspection are as follows.

Registers

- LG Act Section 63 | Gifts and Benefits Register – Council Members and Staff
- LG Act Section 70(a1) | Register of Interests for Council Members and Independent Members
- LG Act Section 79 | Council Members' Register of Allowances and Benefits
- LG Act Section 90 | Confidential Items
- LG Act Section 98 | Development Applications Register
- LG Act Section 105 | Council Employees Register of Salaries
- LG Act Section 188 | Fees and Charges
- LG Act Section 207 | Community Land Management Plan
- LG Act Section 231 | Public Roads
- LG Act Section 252 | By-laws
- Development Regulations 2008 Regulation 98 | Development Applications Register

Codes and Policies

Administration

- LG Act Section 110 | Mandatory Code of Conduct for Council Employees

Community

- Acknowledgment and Welcome to Country
- Arts and Heritage Collection
- Cemetery Operating
- Burials Outside Cemeteries
- Community and Recreation Facilities
- Community Group Use of Photocopiers
- Community Information Display
- Community Loans
- Festivals & Events
- Flags Policy
- Grant Giving
- Memorials within Council Cemeteries
- Outdoor Dining
- Play Space
- Public Consultation
- Public Transport
- Safe Environments
- School Parking and Associated Facilities
- Tributes for Commemorative Services
- Volunteer Engagement
- Wastewater System Application Fee Refunds

Corporate Governance

- Advisory Group Operation and Conduct
- Caretaker
- LG Act Section 92 | Code of Practice for Access to Council and Council Committee Meetings and Documents
- Code of Practice for Meeting Procedures
- Complaint Handling
- Enforcement
- Fraud Corruption Misconduct & Maladministration
- Information or Briefing sessions
- Internal Audit
- Internal Review of Council Decisions
- Order Making
- Petitions
- Procurement
- Public Interest Disclosure
- Public Interest Disclosure Procedure
- Prudential Management
- Records and Information Management
- Request for Services
- Risk Management
- Unreasonable Complainant Conduct

Council Member

- Behaviour Management
- LG Act Section 75E | Behavioural Standards for Council Members
- Council Member Training & Development
- Council Member Allowances and Support
- Mayor Seeking Legal Advice
- One Team Communication Protocols

Development and Engineering

- Access to Development Application Documents
- Accredited Professionals
- Buffers
- Council Assessment Panel Review of Decisions of the Assessment Manager
- Delegations Policy for the Determination of Development Applications by CAP
- Development Application Fee Refunds
- Development Application Fee Waiver Policy 2020
- Development Applications Involving Regulated Trees
- Management of Built Heritage
- Models for Major Development
- Privately Funded (Council-led) Code Amendments
- Public Place & Road Naming
- Unsealed Roads

Environment & Open Space

- Directional Signage
- Burning Permit
- Genetically Modified Crops
- Telecommunications Installation Small Cell Stobie Pole Mounted Antennae
- Tree Management

Finance

- Debt Recovery (inc. CWMS Customer Hardship Policy)
- Disposal of Assets
- Grant & External Funding (Acceptance) Policy
- Rating
- Treasury

Infrastructure & Assets

- Alteration and Occupation of Public Roads
- Asset Management
- Occasional Hiring of Council Meeting Rooms
- Roadside Trading
- Street Lighting
- Trails and Cycling Routes Management
- Waste and Resource Recovery Services

The policies, codes and registers detailed are available at Council's Service Centres for inspection and/or purchase by members of the public for a fee as set out in Council's Fees and Charges Policy.

These documents can be accessed on Council's website for no charge.

Community Land Management Plans

A new Community Land Management Plan was adopted by Council on 24 September 2019. The plan has been prepared for each category of community land, defining ownership details, location, area, principal usage and user groups.

Data verification of community land has been completed with all community land assigned to the appropriate category in the Community Lands Register. It lists community lands and does not include any lands revoked or excluded under the *Local Government Act 1999*.

Competitive tendering

In 2022-23 Council determined that a number of services it provides could be more efficiently provided by external contractors. Where services are outsourced a tender process is used to achieve best value for Council.

Details of the tendering process can be found in Council's *Procurement Policy*. In 2022-23, 64 services were subjected to a competitive bidding process.

Purchase of local goods and services

When goods and services are required by Council, local suppliers are invited to tender. In 2022-23 we had 111 competitive tender processes completed.

All tenders are considered on an equal basis in accordance with the principles of fair trading and the requirements of National Competition Policy and the *Competition and Consumer Act 2010*.

When paying for purchases, employees are encouraged under Council's *Procurement Policy* to utilise purchase cards as one of the most cost effective payment methods. During 2022-23, purchase cards were used for a total of \$480,790.76 (Excluding GST) of Council expenses.

National Competition Policy

Principles of competitive neutrality are designed to neutralise any net competitive advantage that a government or local government agency engaged in significant business activities would otherwise have, by virtue of its control by the government or local government, over private businesses operating in the same market.

Council has a complaints mechanism in place and in 2022-23 no complaints were received through this process with regard to competitive neutrality.

Our people

Council's success relies on the experience and skills of staff to provide services to the community. As at 30 June 2023, Council's workforce consisted of 199.78 FTE (full-time equivalent) people managing a diverse range of services and programs.

Employee turnover levels remain within a healthy range between 7-15 percent, with a turnover during 2022-23 of 10.9% percent.

Employees continue to focus on customer experience and service improvement across the organisation and continually review and refine processes to enable a better experience for our community.

Employee Travel

One of the ways Council supports employees is through the provision of travel to attend events to represent Council and/or that are relevant to the employees development. In 2022-23, the following employee travel occurred:

Event/Activity	Date	Location	Travel Expenses
Aboriculture Australia – Tree Risk Assessment Qualification Training	November 2022	Melbourne	\$691
Human Resources Information Services Conference	June 2023	Sydney	\$598
National Health and Safety Conference	June 2023	Brisbane	\$708

Employee Performance

Through the development of our people to be skilled, knowledgeable and capable, we empower them to undertake their roles effectively to deliver services to our community. Their People Leaders provide support, coaching and guidance to assist the employees to manage their responsibilities. This is achieved through both informal and formal conversations that focus on:

- Reviewing progress against Key Result Areas
- Improving personal performance
- Taking responsibility for improving their work health and safety; and
- Undertaking development opportunities, either through on-the-job activities working with others or attending formal training.

Leadership Development

Leadership development opportunities are provided to our existing People Leaders who manage employees as part of their role as well as those employees who have been identified as emerging leaders. In the past year, we invested in six emerging leaders to participate in the Management Challenge facilitated through Local Government Professionals, SA which provides for not only personal growth for those individuals but also provides succession planning for when our current leaders leave the organisation.

Diversity and inclusion

Council has continued its journey towards being a diverse and inclusive organisation. Processes continue to be reviewed with the aim of improving our ability to be responsive to individual needs whilst managing expectations and successful outcomes for each role.

Our Recruitment Processes

Council facilitates merit-based selection processes to ensure that it provides equal opportunity for people to be employed. Our recruitment processes have continued to improve as we utilise systems to enable us to manage more effectively and with less waste. We continue to advertise our positions through Disability Employment Service providers to enable better access to those people living with a disability.

Council recognises that selecting the right person for each role has a significant impact on their team, the effectiveness of work undertaken, and services provided to our community. Effective and fair recruitment is critically important.

Work Health and Safety and Injury Management

Work Health and Safety (WHS) and Injury Management (IM) will always be of high importance and therefore many activities and improvements are undertaken regularly to ensure Council is managing its due diligence requirements and maintaining safe systems of work.

The Executive Leadership Team, with the Health and Safety Committee, promotes safe work practices that focus on delivering and maintaining a work environment that is safe, where hazards are identified and risks are managed, resulting in low injury rates.

The development and implementation of our WHS Action Plan (developed as a result of Audit processes) and monitored by the Local Government Association Workers Compensation Scheme has been a priority this year to ensure agreed actions have been closed out. An annual rebate is available where activities from the Action Plan are assessed as complete.

Education and support has been provided to employees in the operation of our Safety Management System both in the field and in the office that has resulted in increased reporting of incidents and hazards and any corrective actions being attended to promptly.

Executive Leadership Team Arrangements

Council has an Executive Leadership Team that operates under the direction of the Chief Executive Officer.

	No of positions	Salary Range as at 30 June 2023
CEO	1	\$234,916*
Director	4	\$185,800 - \$206,109
Executive Manager	2	\$164,705

*Acting CEO wage

The Executive Leadership Team have Total Remuneration Packages that incorporates salary (as above), compulsory superannuation and the provision of a motor vehicle for business and private use. Other benefits available to the Executive Team may include the provision of ICT equipment (a mobile telephone and tablet) and paid memberships for up to two professional bodies. No other bonuses or allowances are paid.

Remuneration payable to Council's auditor

Remuneration payable for the audit of the Adelaide Hills Council Internal Financial Controls and Annual Financial Statements for 2022-23 was \$45,000.

No other remuneration was paid to the auditors for non-audit services.



Appendix One

Financial Statements

Adelaide Hills Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2023



General Purpose Financial Statements

for the year ended 30 June 2023

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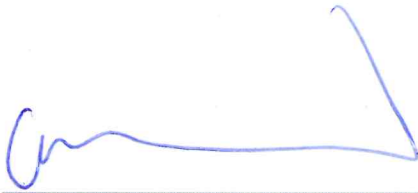
General Purpose Financial Statements
for the year ended 30 June 2023

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 2023 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.



Natalie Armstrong
Acting Chief Executive Officer



Jan-Claire Wisdom
Mayor

Date 24/10/23

Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	Restated 2022
Income			
Rates	2a	44,401	41,504
Statutory charges	2b	1,428	1,430
User charges	2c	901	884
Grants, subsidies and contributions - capital	2g	292	1,263
Grants, subsidies and contributions - operating	2g	6,090	6,404
Investment income	2d	37	59
Reimbursements	2e	306	197
Other income	2f	821	583
Net gain - equity accounted council businesses	19(a)	169	133
Total income		54,445	52,457
Expenses			
Employee costs	3a	20,693	19,608
Materials, contracts and other expenses	3b	21,273	21,515
Depreciation, amortisation and impairment	3c	10,479	9,820
Finance costs	3d	551	306
Net loss - equity accounted council businesses	19(a)	19	66
Total expenses		53,015	51,315
Operating surplus / (deficit)		1,430	1,142
Physical resources received free of charge	2h	551	4,072
Asset disposal and fair value adjustments	4	(1,300)	(1,693)
Amounts received specifically for new or upgraded assets	2g	2,283	1,905
Net surplus / (deficit)		2,964	5,426
Other comprehensive income			
Changes in revaluation surplus - I,PP&E	9a	47,645	1,606
Share of other comprehensive income - equity accounted council businesses	19	23	1
Other Equity Adjustments - Equity Accounted Council Businesses	19(a)i	43	6
Total other comprehensive income		47,711	1,613
Total comprehensive income *		50,675	7,039

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

(*) Refer to Note 23 for further details on the restatement.

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	Restated 2022
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	489	3,215
Trade and other receivables	5b	3,573	3,025
Inventories	5c	17	32
Total current assets		<u>4,079</u>	<u>6,272</u>
Non-current assets			
Equity accounted investments in council businesses	6	2,631	2,416
Infrastructure, property, plant and equipment	7	492,588	443,289
Total non-current assets		<u>495,219</u>	<u>445,705</u>
TOTAL ASSETS		<u>499,298</u>	<u>451,977</u>
LIABILITIES			
Current liabilities			
Trade and other payables	8a	6,107	9,647
Borrowings	8b	1,721	9,581
Provisions	8c	5,257	4,072
Total current liabilities		<u>13,085</u>	<u>23,300</u>
Non-current liabilities			
Borrowings	8b	13,230	5,200
Provisions	8c	583	1,751
Total non-current liabilities		<u>13,813</u>	<u>6,951</u>
TOTAL LIABILITIES		<u>26,898</u>	<u>30,251</u>
Net assets *		<u>472,400</u>	<u>421,726</u>
EQUITY			
Accumulated surplus		150,021	147,004
Asset revaluation reserves	9a	322,268	274,623
Other reserves	9b	111	99
Total council equity		<u>472,400</u>	<u>421,726</u>
Total equity		<u>472,400</u>	<u>421,726</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

(*) Refer to Note 23 for further details on the restatement.

Statement of Changes in Equity

for the year ended 30 June 2023

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2023					
Balance at the end of previous reporting period		147,004	274,623	99	421,726
Net surplus / (deficit) for year		2,964	–	–	2,964
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	9a	–	47,645	–	47,645
Share of OCI - equity accounted council businesses		23	–	–	23
Other equity adjustments - equity accounted council businesses	19(a)i	42	–	–	42
Other comprehensive income		65	47,645	–	47,710
Total comprehensive income		3,029	47,645	–	50,674
Transfers between reserves		(12)	–	12	–
Balance at the end of period *		150,021	322,268	111	472,400
2022					
Balance at the end of previous reporting period		142,182	273,017	448	415,647
Adjustments (correction of prior period errors)	23a	(960)	–	–	(960)
Net surplus / (deficit) for year		5,426	–	–	5,426
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	9a	–	1,606	–	1,606
Share of OCI - equity accounted council businesses		1	–	–	1
Other equity adjustments - equity accounted council businesses	19(a)i	6	–	–	6
Other comprehensive income		7	1,606	–	1,613
Total comprehensive income		5,433	1,606	–	7,039
Transfers between reserves		349	–	(349)	–
Balance at the end of period *		147,004	274,623	99	421,726

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

(*) Refer to Note 23 for further details on the restatement.

Statement of Cash Flows

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Cash flows from operating activities			
<u>Receipts</u>			
Rates receipts		44,446	41,289
Statutory charges		1,428	1,430
User charges		901	884
Grants, Subsidies and Contributions (operating purpose)		5,832	8,225
Investment receipts		37	59
Reimbursements		306	197
Other receipts		404	292
<u>Payments</u>			
Finance payments		(551)	(306)
Payments to employees		(20,502)	(19,191)
Payments for materials, contracts and other expenses		(22,682)	(19,972)
Net cash provided by (or used in) operating activities	11b	<u>9,619</u>	<u>12,907</u>
Cash flows from investing activities			
<u>Receipts</u>			
Grants utilised for capital purposes		292	1,263
Amounts Received Specifically for New/Upgraded Assets		538	2,552
Sale of replaced assets		427	756
Sale of surplus assets		778	9
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(10,070)	(12,337)
Expenditure on new/upgraded assets		(5,200)	(6,102)
Net cash provided (or used in) investing activities		<u>(13,235)</u>	<u>(13,859)</u>
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from Borrowings		2,729	–
Proceeds from bonds and deposits		71	–
Proceeds from aged care facility deposits		645	–
<u>Payments</u>			
Repayment of lease liabilities		(374)	(400)
Repayment of aged care facility deposits		–	(76)
Net cash provided by (or used in) financing activities		<u>3,071</u>	<u>(476)</u>
Net increase (decrease) in cash held		<u>(545)</u>	<u>(1,428)</u>
plus: cash & cash equivalents at beginning of period		(5,991)	(4,563)
Cash and cash equivalents held at end of period	11a	<u>(6,536)</u>	<u>(5,991)</u>

Additional information:

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Contents of the Notes accompanying the General Purpose Financial Statements

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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 on a going concern basis using the historical cost convention 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*.

1.2 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.

1.3 Rounding

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

1.4 Estimates and assumptions

COVID-19 is not expected to have a material financial impact on Council operations. Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

(2) The local government reporting entity

Adelaide Hills Council is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 63 Mount Barker Road, Stirling. 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.

Other entities in which Council has an interest but does not control are reported in Note 19.

(3) Income recognition

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.

The Council recognises revenue under *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) or *AASB 15 Revenue from Contracts with Customers* (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

In recent years the payment of untied financial assistance grants from the Commonwealth Government has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference
2019-20	\$1,640,046	\$1,564,152	+\$75,894
2020-21	\$1,516,052	\$1,581,658	- \$65,606
2021-22	\$2,304,241	\$1,661,744	+\$642,497
2022-23	\$2,253,435	\$1,810,018	+\$443,417

As these grants are untied, the Australian Accounting Standards require that these payments be recognised upon receipt.

Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

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. 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 are recognised over time using the input method, with costs incurred compared to total expected costs used as a measure of progress. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

(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, except for trade receivables from a contract with a customer, which are measured at the transaction price. 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.

(6) Infrastructure, property, plant and 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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

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

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Furniture & Fittings and Plant & Equipment for Retirement Villages	\$1,000
Office Furniture & Fittings	\$3,000
Other Plant & Equipment	\$3,000
Building Fixture and Fittings	\$5,000
Building Structures	\$5,000
Paving & Footpaths, Kerb & Gutter	\$5,000
Road construction & reconstruction	\$5,000
Stormwater, Gravity mains and Culverts	\$5,000
All Other Assets	\$5,000
Artworks	\$5,000

6.3 Subsequent recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of non-current assets

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

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

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

Plant, Furniture & Equipment

Office Furniture and Equipment	5 to 10 years
Vehicles and Heavy Plant	8 to 16 years
Other Plant & Equipment	5 to 10 years

Building & Other Structures

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

Infrastructure

Bores	20 to 40 years
Bridges	80 to 100 years
Culverts	50 to 75 years
CWMS Pipes	70 to 80 years
Dams and Lagoons	80 to 100 years
Flood Detention Systems	80 to 100 years
Irrigation Pipes and Systems	25 to 75 years
Paving & Footpaths, Kerb & Gutter	40 to 100 years
Pumps & Telemetry	15 to 25 years
Road Pavement	65 to 180 years
Sealed Roads – Surface	15 to 25 years
Stormwater and Gravity Mains	80 to 100 years
Unsealed Roads	10 to 20 years

Other Assets

Artworks	indefinite
Right-of-Use Assets	2 to 5 years

6.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

Other 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).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

6.6 Borrowing costs

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

(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.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

(10) 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.

(11) Leases

Accounting policy applicable from 01 July 2019

The Council assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

11.1 Council as a lessee

The Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

i) Right-of-Use-Assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Computers & IT Equipment	3 to 5 years
Building Occupancy	Up to 3 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Council uses its incremental borrowing rate or the interest rate implicit in the lease.

iii) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(12) Equity accounted Council businesses

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

(13) GST implications

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

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

(14) New accounting standards and UIG interpretations

In the current year, Council adopted where relevant, all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period.

The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

(15) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(16) Disclaimer

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 2. Income

\$ '000	2023	2022
(a) Rates		
General rates		
General rates	41,549	39,123
Less: mandatory rebates	(303)	(300)
Less: discretionary rebates, remissions and write-offs	(75)	(274)
Total general rates	41,171	38,549
Other rates (including service charges)		
Community wastewater management systems	1,694	1,676
Landscape levy	1,118	970
Separate and special rates	5	5
Stirling Business Association Separate Rate	95	97
Total other rates (including service charges)	2,912	2,748
Other charges		
Penalties for late payment	246	204
Legal and other costs recovered	72	3
Total other charges	318	207
Total rates	44,401	41,504
(b) Statutory charges		
Animal registration fees and fines	524	465
Development Act fees	658	731
Health and septic tank inspection fees	99	101
Other licences, fees and fines	41	31
Parking fines / expiation fees	48	36
Searches	58	66
Total statutory charges	1,428	1,430
(c) User charges		
Cemetery Fees	308	418
Community centres	165	97
Lobethal Woollen Mill Precinct	149	142
Retirement Villages	66	32
Sundry	213	195
Total user charges	901	884
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	2	1
- Banks and other	24	4
Unwinding of premiums and discounts	11	54
Total investment income	37	59

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 2. Income (continued)

\$ '000	2023	2022
(e) Reimbursements		
Lobethal Woollen Mill Precinct	224	172
Other Properties	18	13
Private works	18	11
Other	46	1
Total reimbursements	306	197
(f) Other income		
Insurance and other recoupments - infrastructure, property, plant and equipment	107	309
Other (settlement proceeds)	500	–
Significant Environmental Benefit Credits	18	–
Sundry	196	274
Total other income	821	583
(g) Grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets	2,283	1,905
Total	2,283	1,905
Other grants, subsidies and contributions - capital		
Local Roads & Community Infrastructure Program	292	1,043
Sport & Recreation Community Facilities Grants	–	220
Total Other grants, subsidies and contributions - capital	292	1,263
Other grants, subsidies and contributions		
Annual		
Community Home Support Program Grants	987	953
Community Wastewater Management Systems Contributions	25	37
Library and communications	295	273
Roads to Recovery	650	699
Sundry	404	288
Supplementary Local Roads Funding	343	344
Untied - Financial Assistance Grant	2,253	2,304
Ad hoc / One Off		
Community Recovery Grants	6	36
Community Resilience Grants	750	186
Local Roads & Community Infrastructure Program	169	367
Open Space Biodiversity Grants	197	371
Sport & Recreation Community Facilities Grants	–	546
Waste Management Grants	11	–
Total other grants, subsidies and contributions	6,090	6,404
Total grants, subsidies and contributions	8,665	9,572
The functions to which these grants relate are shown in Note 12.		

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2. Income (continued)

\$ '000	2023	2022
(i) Sources of grants		
Commonwealth Government	5,996	6,405
State Government	2,511	2,544
Other	158	623
Total	8,665	9,572
(ii) Individually significant items		
Grant Commission (FAG) Grant received in advance recognised as Income	1,932	1,488
 (h) Physical resources received free of charge		
Land and improvements	551	4,072
Total physical resources received free of charge	551	4,072

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 3. Expenses

\$ '000	Notes	2023	2022
(a) Employee costs			
Salaries and wages		16,476	15,071
Employee leave expense		2,857	2,907
Superannuation - defined contribution plan contributions	18	1,756	1,589
Superannuation - defined benefit plan contributions	18	189	216
Other employee related costs		79	491
Fringe Benefits Tax		245	238
Personal Income Protection Insurance		311	302
Workers' compensation insurance		455	475
Less: capitalised and distributed costs		(1,675)	(1,681)
Total operating employee costs		20,693	19,608
Total number of employees (full time equivalent at end of reporting period)		200	199
(b) Materials, contracts and other expenses			
(i) Materials, Contracts and Expenses			
Bank Fees		78	89
Contractors		5,367	4,351
Contractors - Cleaning		335	329
Contractors - Tree Management		558	975
Consultants		108	-
Contributions & Donations		720	785
Contract Labour		312	587
Energy		581	451
Grant Related Expenditure		252	452
Heathfield High School Contribution		233	1,123
Insurance		800	712
Landfill Remediation		539	739
Legal expenses		354	183
Levies - other		267	232
Levies Paid to Government - Landscape Levy		1,117	968
Licencing - ICT		788	775
Pandemic Response		-	21
Parts, accessories and consumables		2,109	2,064
Professional services		138	66
Return of LGA CWMS Contribution		1	348
Stirling Business Association		95	95
Sundry		444	409
Telephone (incl data)		249	293
Water		196	221
Waste		4,856	4,461
Work-in-Progress Write-off		124	230
Less: capitalised and distributed Costs		(87)	(87)
Subtotal - Material, Contracts & Expenses		20,534	20,872

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 3. Expenses (continued)

\$ '000	2023	2022
(ii) Prescribed Expenses		
Auditor's remuneration		
- Auditing the financial reports	11	24
- Other auditors	10	23
Bad and doubtful debts	1	–
Elected members' expenses	467	456
Election expenses	14	13
Lease expense - low value assets / short term leases	236	127
Subtotal - prescribed expenses	739	643
Total materials, contracts and other expenses	21,273	21,515

(c) Depreciation, amortisation and impairment

Depreciation and Amortisation

Buildings	1,357	1,082
Infrastructure		
- Bridges	297	293
- Cemeteries	29	33
- Community Wastewater Management Systems	317	411
- Footpaths	424	338
- Guardrails	104	99
- Kerb & Gutter	537	528
- Playgrounds	101	100
- Retaining Walls	171	169
- Roads	4,469	4,334
- Sport & Recreation	390	324
- Stormwater	633	591
- Street Furniture	83	86
- Traffic Controls	38	36
- Other Infrastructure	3	–
Furniture and fittings	70	66
Plant and equipment	1,090	928
Right-of-use assets	366	402
Total depreciation, amortisation and impairment	10,479	9,820

(d) Finance costs

Charges on finance leases	10	16
Interest on loans	342	230
Interest on overdraft and short-term drawdown	199	60
Total finance costs	551	306

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 4. Asset disposal and fair value adjustments

\$ '000	2023	2022
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	427	756
Less: Carrying Amount of Assets Sold or Disposed of	(2,162)	(2,367)
Other sale costs	(5)	–
Gain (loss) on disposal	(1,740)	(1,611)
(ii) Assets surplus to requirements		
Proceeds from disposal	778	9
Less: other amounts relating to the sale of surplus assets	(101)	(91)
Less: carrying amount of surplus assets disposed of	(1,395)	–
Add: liabilities forgiven upon sale of surplus assets	1,158	–
Gain (loss) on disposal	440	(82)
Net gain (loss) on disposal or revaluation of assets	(1,300)	(1,693)

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 5. Current assets

\$ '000	2023	2022
(a) Cash and cash equivalent assets		
Cash on hand and at bank	467	2,845
Short Term Deposits	22	370
Total cash and cash equivalent assets	489	3,215
(b) Trade and other receivables		
Rates - general and other	1,648	1,714
Council rates postponement scheme	186	165
Accrued revenues	567	262
Debtors - general	251	269
GST recoupment	592	463
Prepayments	329	152
Total trade and other receivables	3,573	3,025
(c) Inventories		
Stores and materials	17	32
Total inventories	17	32

Note 6. Non-current assets

\$ '000	Notes	2023	2022
Equity accounted investments in council businesses			
Adelaide Hills Regional Waste Management Authority (AHRWMA)	19i	1,392	1,241
Eastern Waste Management Authority (EWMA)	19i	148	121
Gawler River Floodplain Management Authority (GRFMA)	19i	1,091	1,054
Total equity accounted investments in Council businesses		2,631	2,416

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 7. Infrastructure, Property, Plant & Equipment

Infrastructure, property, plant and equipment

\$ '000	Fair Value Level	as at 30/06/22				Asset movements during the reporting period										as at 30/06/23				
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Impairment Loss (recognised in Equity) (Note 9)	WIP Transfers	Adjustments & Transfers	Other Physical Resources Free of Charge	RoU Additions	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Capital work in progress		–	3,564	–	3,564	5,200	10,070	–	–	–	(12,157)	(124)	–	–	–	–	–	6,552	–	6,552
Land - community	3	87,980	–	–	87,980	–	–	(1,290)	–	–	–	–	–	–	–	19,281	105,971	–	–	105,971
Buildings	3	62,989	–	(23,940)	39,049	–	–	(664)	(1,357)	–	1,512	–	–	–	–	7,376	75,619	–	(29,703)	45,916
Infrastructure																				
- Bridges	3	21,351	–	(12,296)	9,055	–	–	(14)	(297)	–	300	–	–	–	–	368	22,463	–	(13,052)	9,411
- Cemeteries	3	1,934	–	(969)	965	–	–	–	(29)	–	89	–	–	–	(10)	–	1,960	–	(946)	1,014
- Community Wastewater Management Systems	3	21,036	–	(7,135)	13,901	–	–	(174)	(317)	–	276	–	–	–	–	10	21,914	–	(8,218)	13,696
- Footpaths	3	19,412	–	(6,721)	12,691	–	–	(175)	(424)	–	798	–	148	–	–	1,628	20,082	–	(5,417)	14,665
- Guardrails	3	5,040	–	(1,378)	3,662	–	–	(2)	(104)	–	93	–	–	–	–	143	5,316	–	(1,524)	3,792
- Kerb & Gutter	3	43,260	–	(19,252)	24,008	–	–	(13)	(537)	–	91	–	145	–	–	7,585	43,515	–	(12,236)	31,279
- Playgrounds	3	2,070	–	(837)	1,233	–	–	–	(101)	–	–	–	13	–	–	20	2,117	–	(952)	1,165
- Retaining Walls	3	12,242	–	(3,678)	8,564	–	–	(71)	(171)	–	37	–	–	–	(406)	–	11,822	–	(3,869)	7,953
- Roads	3	272,569	–	(94,694)	177,875	–	–	(632)	(4,469)	–	5,532	–	245	–	–	9,147	289,871	–	(102,174)	187,697
- Sport & Recreation	3	20,340	–	(9,826)	10,514	–	–	(105)	(390)	–	614	–	–	–	–	410	20,593	–	(9,549)	11,044
- Stormwater	3	58,475	–	(22,091)	36,384	–	–	(37)	(633)	–	338	–	–	–	–	1,950	61,830	–	(23,828)	38,002
- Street Furniture	3	2,538	–	(876)	1,662	–	–	(61)	(83)	–	241	–	–	–	–	37	2,728	–	(931)	1,797
- Traffic Controls	3	2,030	–	(613)	1,417	–	–	–	(38)	–	–	–	–	–	–	57	2,111	–	(675)	1,436
- Other Infrastructure	3	–	2,196	(628)	1,568	–	–	–	(3)	–	–	–	–	–	–	19	–	2,232	(648)	1,584
Right-of-use assets		–	1,521	(956)	565	–	–	–	(366)	–	–	–	–	(4)	–	–	–	1,517	(1,322)	195
Plant and equipment		–	13,615	(5,387)	8,228	–	–	(319)	(1,090)	–	2,181	–	–	–	–	23	–	14,943	(5,920)	9,023
Furniture and fittings		–	692	(288)	404	–	–	–	(70)	–	55	–	–	–	–	7	–	754	(358)	396
Total infrastructure, property, plant and equipment		633,266	21,588	(211,565)	443,289	5,200	10,070	(3,557)	(10,479)	–	–	(124)	551	(4)	(416)	48,061	687,912	25,998	(221,322)	492,588
Comparatives		614,990	20,924	(202,322)	433,592	4,839	12,337	(2,367)	(9,820)	–	–	(232)	4,072	227	(2,023)	4,837	633,266	21,588	(211,565)	443,289

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 7. Infrastructure, Property, Plant & Equipment (continued)

Valuation of Infrastructure, Property, Plant & Equipment

Valuation of assets

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

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

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

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Information on valuations

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

There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

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

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

Other information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to *AASB 1.D5* to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with *AASB 13 Fair Value Measurement*: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 7. Infrastructure, Property, Plant & Equipment (continued)

Transition to AASB 13 - Fair Value Measurement

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

Land & Land Improvements

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

Land - Level 3: Crown Land which is subject to restriction for its use or sale has been valued by Council officers based on the Valuer General's site values as at 1 January 2022 less allowances for the restriction on sale (requiring Ministerial consent) which are unobservable inputs that have a significant effect on valuation.

Buildings & Other Structures

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2017
- Valuer: APV Valuers & Asset Management

Council discloses Buildings as a separate class of Infrastructure Assets for the purposes of AASB 13 Fair Value Measurement, and the level of fair value hierarchy to be Level 3, as no relevant observable inputs (Markets) are available.

- Council commenced a Building Audit and Revaluation in the 2022-2023 financial year, however, delays in the final reports and validation of all the assumptions has resulted in a combination of adjustments to the Building assets.
- There were \$5.8m of Building assets that were previously not valued and these have been included in the revaluation.
- The remainder of the assets have been adjusted manually in line with the Australian Bureau of Statistics Time Series data, Table 17 (Construction Industries) movements specific for Adelaide.
- This adjustment was done as at 1 July 2022.
- Finalisation of the Building Asset revaluation will be completed in 2023-2024 with revaluation to occur at 1 July 2023.

Infrastructure

Council discloses Infrastructure Assets for the purpose of AASB 13 Fair Value Measurement as level 3 as no relevant observable inputs (markets) are available.

- There were no assets valued where it was considered that the highest and best use was other than its current use.

Bridges

- Basis of valuation: Valuation was undertaken using modern equivalent asset principles as per the International Infrastructure Management Manual (IIMM 6th edition, 2020) and included a condition audit.
- The assets were indexed in between independent valuation and the latest indexation was for 30 June 2023.
- Date of valuation: June 2021
- Valuer: ARRB Group

Community Wastewater Management Systems (CWMS)

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2022
- Valuer: APV Valuers & Asset Management

Footpaths & Retaining Walls

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2022
- Valuer: Private Public Property
- During 2021-2022 and 2022-2023 Council officers undertook a condition audit of the asphalt, concrete and paver footpaths. This condition data was used to undertake a revaluation of these assets at 1 July 2022.

Kerb & Gutter and Guardrails (safety barriers)

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 7. Infrastructure, Property, Plant & Equipment (continued)

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2022
- Valuer: Private Public Property
-
- During 2021-2022 and 2022-2023 Council officers undertook a condition audit of the concrete kerbing. This condition data was used to undertake a revaluation of these assets at 1 July 2022.

Roads

- Valuations were derived as at June 2019 referencing individual rates in Rawlinsons and Council Contracts to determine an overall rate for Council assets including road seal and road pavement by Steve Walker, Principal, Asset Engineering.
- Road Seals rates were established by using Council's recent contract rates for resealing which includes profiling, raising top stones, supply and laying of asphaltic concrete and supply and laying of spray seal
- Road Pavement rates were established by using rates from Rawlinsons applicable to the reconstruction of road pavements and compared against Council's actual costs
- During 2019-20 Council undertook a review of its sealed road components following an external review by Jeff Roorda, TechnologyOne, regarding components for road pavements. The assessment resulted in road pavement being componentised into a pavement base-course (layer immediately under the seal component) and a sub-base (bottom layer of road pavement). The base course layer retained the same useful life and the sub-base useful life was increased based on industry knowledge and standards. Given this useful life change, the sub-base was subsequently revalued from the asset construction date and hence the written down value of the assets adjusted downwards. As part of this process, the overall unit rate was also reallocated between the base-course and sub-base components.
- Since the detailed valuation using unit rates undertaken at June 2019, valuations have been updated by Council Officers at depreciated current replacement cost based on Australia Bureau of Statistics Time Series data, Table 17 (Construction Industries) movements specific to Adelaide for the period since valuation to July 2022.

Stormwater

- Valuations have been updated by Council officers at depreciated current replacement cost based on Australian Bureau of Statistics Time Series data, Table 17 (Construction Industries) movements specific to Adelaide for the period to July 2022.

Cemeteries, Playgrounds, Sport and Recreation Facilities (S&R), Street Furniture, Stormwater and Traffic Controls

- Valuations were performed by Council Officers at depreciated current replacement cost as at 1 July 2022 based on Australia Bureau of Statistics Time Series data, Tables 17 (Construction Industries) specific to Adelaide for July 2022.

Plant & Equipment

- Basis of valuation: Historic Cost

Furniture & Fittings

- Basis of valuation: Historic Cost

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 8. Liabilities

\$ '000	2023 Current	2023 Non Current	2022 Current	2022 Non Current
(a) Trade and other payables				
Accrued expenses - employee entitlements	1,096	-	925	-
Accrued expenses - other	1,187	-	1,044	-
Aged care facility deposits	-	-	514	-
Deposits, retentions and bonds	78	-	7	-
Goods and services	2,753	-	4,172	-
Payments received in advance	986	-	2,989	-
Other	7	-	(4)	-
Total trade and other payables	6,107	-	9,647	-

\$ '000	Notes	2023 Current	2023 Non Current	2022 Current	2022 Non Current
(b) Borrowings					
Bank overdraft		1,000	6,025	9,206	-
Lease liabilities	17b	160	37	375	200
Loans		561	7,168	-	5,000
Total Borrowings		1,721	13,230	9,581	5,200

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

(c) Provisions

Employee entitlements (including oncosts)	3,663	261	3,669	235
Future reinstatement / restoration, etc ¹	1,594	322	403	1,516
Total provisions	5,257	583	4,072	1,751

(1) At the reporting date, Council made provision for its monitoring and rehabilitation obligations regarding 3 formal landfill sites. The provision represents Council's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 9. Reserves

\$ '000	as at 30/06/22		Transfers	Impairments	as at 30/06/23	
	Opening Balance	Increments (Decrements)			Closing Balance	
(a) Asset revaluation reserve						
Land - community	60,814	19,281	–	–		80,095
Buildings	30,464	7,376	–	–		37,840
Infrastructure						
- Bridges	4,055	368	–	–		4,423
- Cemeteries	2,202	(10)	–	–		2,192
- Community Wastewater Management Systems	6,048	10	–	–		6,058
- Footpaths	–	1,628	–	–		1,628
- Guardrails	1,774	143	–	–		1,917
- Kerb & Gutter	21,743	7,585	–	–		29,328
- Playgrounds	124	20	–	–		144
- Retaining Walls	4,951	(406)	–	–		4,545
- Roads	113,766	9,147	–	–		122,913
- Sport & Recreation	2,205	410	–	–		2,615
- Stormwater	24,652	1,950	–	–		26,602
- Street Furniture	1,040	37	–	–		1,077
- Traffic Controls	557	57	–	–		614
- Other Infrastructure	–	19	–	–		19
Plant and equipment	–	23	–	–		23
Furniture and fittings	–	7	–	–		7
JV's / associates - other comprehensive income	228	–	–	–		228
Total asset revaluation reserve	274,623	47,645	–	–		322,268
Comparatives	273,017	1,606	–	–		274,623

\$ '000	as at 30/06/22		Tfrs to Reserve	Tfrs from Reserve	Other Movements	as at 30/06/23	
	Opening Balance					Closing Balance	
(b) Other reserves							
Biodiversity SEB Reserve	–	17	–	–	–		17
Scott Creek Progress Association	1	–	–	–	–		1
Significant Trees Reserve	5	–	–	–	–		5
Torrens Valley Community Centre	93	–	(5)	–	–		88
Total other reserves	99	17	(5)	–	–		111
Comparatives	448	2	(351)	–	–		99

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).

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 9. Reserves (continued)

Other reserves

Biodiversity SEB Reserve

Adelaide Hills Council is an Accredited Third Party Provider under Section 25C(12) of the *Native Vegetation Act 1991*. One of Council's conservation reserves is now a formal "SEB Area" (Significant Environmental Benefit) under the *Native Vegetation Act 1991* which allows Council to on-sell SEB credits.

The financial return on these credits will need to be spent in accordance with the SEB Management Plan which outlines what agreed actions will be undertaken in a 10 year period and how the area will be protected into the future.

The funds held will be accessed over the next 10 years in order to invest in the annual bushcare activities as set out in the plan.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 10. Assets subject to restrictions

\$ '000	2023	2022
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The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

Cash and financial assets

Community Wastewater Management Systems Investigations	–	348
Total cash and financial assets	–	348
Total assets subject to externally imposed restrictions	–	348

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2023	2022
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(a) Reconciliation of cash

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

Total cash and equivalent assets	5	489	3,215
Less: short-term borrowings	8	(7,025)	(9,206)
Balances per Statement of Cash Flows		(6,536)	(5,991)

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 11. Reconciliation to Statement of Cash Flows (continued)

\$ '000	Notes	2023	2022
(b) Reconciliation of change in net assets to cash from operating activities			
Net surplus/(deficit)		2,964	5,426
Non-cash items in income statements			
Depreciation, amortisation and impairment		10,479	9,820
Equity movements in equity accounted investments (increase)/decrease		(150)	(67)
Premiums and discounts recognised and unwound		(11)	(54)
Non-cash asset acquisitions		(551)	(4,072)
Grants for capital acquisitions treated as investing activity		(2,575)	(1,905)
Net (gain)/loss on disposals		1,300	1,693
Other		1,776	(371)
		<u>13,232</u>	<u>10,470</u>
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		(548)	200
Net (increase)/decrease in inventories		15	(9)
Net increase/(decrease) in trade and other payables		(3,097)	1,913
Net increase/(decrease) in unpaid employee benefits		20	144
Net increase/(decrease) in other provisions		(3)	189
Net cash provided by (or used in) operations		<u>9,619</u>	<u>12,907</u>

(c) Non-cash financing and investing activities

Acquisition of assets by means of:

Physical resources received free of charge	2h	551	4,072
Amounts recognised in income statement		<u>551</u>	<u>4,072</u>
Total non-cash financing and investing activities		<u>551</u>	<u>4,072</u>

(d) Financing arrangements

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

Bank overdrafts	200	200
Corporate credit cards	180	180
Asset Finance - Leasing	750	750
LGFA cash advance debenture facility	8,600	14,800
Westpac Bank Bill Business Loan ¹	9,000	10,000

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

(1) Council utilises the Westpac bank bill business loan as an overdraft facility which can be paid off at any time at the discretion of the Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities.
Details of these Functions/Activities are provided in Note 12(b).

\$ '000	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT AND NON-CURRENT)	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Functions/Activities										
Council	–	–	–	–	–	–	(292)	(1,263)	499,298	451,977
Community Capacity	2,692	1,970	7,768	7,424	(5,076)	(5,454)	2,397	1,698	–	–
Corporate Services	45,061	42,853	13,178	10,411	31,883	32,442	1,197	1,872	–	–
Infrastructure & Operations	5,161	6,198	27,882	29,476	(22,721)	(23,278)	2,718	4,059	–	–
Development & Regulatory Services	1,531	1,436	4,187	4,004	(2,656)	(2,568)	70	38	–	–
Total Functions/Activities	54,445	52,457	53,015	51,315	1,430	1,142	6,090	6,404	499,298	451,977

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 12(b). Components of functions

The activities relating to Council functions are as follows:

COMMUNITY CAPACITY

Communications, Engagement & Events, Community Capacity Director's Office, Community Development, Community Programs, Community Resilience, Cultural Development, Customer Experience, Customer Service, Economic Development, FABRIK Arts and Heritage Hub, Library Services, Positive Ageing (Home and Social Support), Positive Ageing Project (Collaborative), The Summit Community Centre, Torrens Valley Community Centre, Volunteering and Youth Development.

CORPORATE SERVICES

Cemeteries, Corporate Services Director's Office, Financial Services, Governance & CEO Office, Information Services, Lobethal Woollen Mill Precinct, Organisational Development & Work Health & Safety, Property Management, Retirement Villages and Sport & Recreation.

INFRASTRUCTURE & OPERATIONS

Civil Services, Community Wastewater Management System (CWMS), Emergency Management, Infrastructure & Operations Director's Office, Open Space Biodiversity, Open Space Operations, Sustainability, Strategic Assets and Waste.

DEVELOPMENT & REGULATORY SERVICES

Animal Management, Development Assessment & Compliance, Development & Regulatory Services Director's Office, Fire Prevention, Parking and By-Laws, Policy Planning and Public Health.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 13. Financial instruments

Recognised financial instruments**Bank, deposits at call, short term deposits****Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between **4.30%** and **4.60%** (2022: **1.05%** and **1.35%**).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - rates and associated charges**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

Terms & Conditions:

Secured over the subject land, arrears attract interest of **6.05%** (2022: **5.05%**). 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 and other charges**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

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).

Receivables - other levels of government**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 13. Financial instruments (continued)

Receivables - retirement home contributions**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

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.

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:**

Initially recognised at fair value and subsequently at amortised cost using the effective interest rate.

Terms & Conditions:

Secured over future revenues. Borrowings are repayable upon maturity. Interest is charged at a fixed rate between **4.45%** and **4.60%** (2022: **4.6%**) and paid bi-annually.

Carrying Amount:

Approximates fair value.

Liabilities - leases**Accounting Policy:**

Accounted for in accordance with AASB 16 as stated in Note 17.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 13. Financial instruments (continued)

\$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2023					
Financial assets					
Cash and cash equivalents	489	–	–	489	489
Receivables	3,245	–	–	3,245	3,244
Total financial assets	3,734	–	–	3,734	3,733
Financial liabilities					
Payables	4,073	–	–	4,073	4,025
Westpac bank bill	1,000	6,025	–	7,025	7,586
LGFA loan	905	7,595	–	8,500	7,168
Lease liabilities	160	37	–	197	197
Total financial liabilities	6,138	13,657	–	19,795	18,976
Total financial assets and liabilities	9,872	13,657	–	23,529	22,709
2022					
Financial assets					
Cash and cash equivalents	3,216	–	–	3,216	3,215
Receivables	2,874	–	–	2,874	2,873
Total financial assets	6,090	–	–	6,090	6,088
Financial liabilities					
Payables	5,735	–	–	5,735	5,733
Westpac bank bill	9,206	–	–	9,206	9,206
LGFA loan	230	5,460	–	5,690	5,000
Lease liabilities	–	–	–	–	–
Total financial liabilities	15,171	5,460	–	20,631	19,939
Total financial assets and liabilities	21,261	5,460	–	26,721	26,027

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

\$ '000	2023		2022	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Overdraft	4.45%	7,025	1.10%	9,206
Fixed interest rates	4.53%	7,926	4.60%	5,575
		14,951		14,781

Net fair value

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 13. Financial instruments (continued)

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 impairment. All Council investments are made with the SA Local Government Finance Authority and NAB. 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.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 14. Capital expenditure and investment property commitments

\$ '000	2023	2022
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Infrastructure	418	317
Plant and equipment	57	798
	<u>475</u>	<u>1,115</u>
These expenditures are payable:		
Not later than one year	475	1,115
	<u>475</u>	<u>1,115</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 15. Financial indicators

\$ '000	Amounts 2023	Indicator 2023	Indicators 2022 2021	
Financial Indicators overview				
<i>These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.</i>				
1. Operating Surplus Ratio				
Operating surplus	1,430	2.6%	2.2%	4.5%
Total operating income	54,445			
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>				
2. Net Financial Liabilities Ratio				
Net financial liabilities	22,836	42%	46%	39%
Total operating income	54,445			
<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.</i>				
Adjusted Operating Surplus Ratio				
Operating surplus	695	1.3%	1.0%	5.3%
Total operating income	53,710			
Adjustments to Ratios				
<i>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. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.</i>				
Adjusted Net Financial Liabilities Ratio				
Net financial liabilities	22,836	42%	49%	39%
Total operating income	54,445			
3. Asset Renewal Funding Ratio				
Asset renewals	10,070	98%	114%	85%
Infrastructure and Asset Management Plan required expenditure	10,292			

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 16. Uniform presentation of finances

\$ '000	2023	2022
<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>		
<u>Income</u>		
Rates	44,401	41,504
Statutory charges	1,428	1,430
User charges	901	884
Grants, subsidies and contributions - capital	292	1,263
Grants, subsidies and contributions - operating	6,090	6,404
Investment income	37	59
Reimbursements	306	197
Other income	821	583
Net gain - equity accounted council businesses	169	133
Total Income	54,445	52,457
<u>Expenses</u>		
Employee costs	20,693	19,608
Materials, contracts and other expenses	21,273	21,515
Depreciation, amortisation and impairment	10,479	9,820
Finance costs	551	306
Net loss - equity accounted council businesses	19	66
Total Expenses	53,015	51,315
Operating surplus / (deficit)	1,430	1,142
Adjusted Operating surplus / (deficit)	1,430	1,142
<u>Net outlays on existing assets</u>		
Capital expenditure on renewal and replacement of existing assets	(10,070)	(12,337)
Add back depreciation, amortisation and impairment	10,479	9,820
Add back proceeds from sale of replaced assets	427	756
	836	(1,761)
<u>Net outlays on new and upgraded assets</u>		
Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(5,200)	(6,102)
Add back amounts received specifically for new and upgraded assets	538	2,552
Add back proceeds from sale of surplus assets (including investment property, real estate developments and non-current assets held for resale)	778	9
	(3,884)	(3,541)
Annual net impact to financing activities (surplus/(deficit))	(1,618)	(4,160)

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 17. Leases

(i) Council as a lessee

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

(a) Right of use assets

\$ '000	ICT Equipment Leases	Property Leases	Total
2023			
Opening balance	325	240	565
Transfer from leased assets (former finance leases)	–	–	–
Additions to right-of-use assets	–	–	–
Adjustments to right-of-use assets due to re-measurement of lease liability	–	(4)	(4)
Depreciation charge	(211)	(155)	(366)
Other	–	–	–
Balance at 30 June	114	81	195
2022			
Opening balance	595	145	740
Transfer from leased assets (former finance leases)	–	–	–
Additions to right-of-use assets	–	235	235
Adjustments to right-of-use assets due to re-measurement of lease liability	–	(8)	(8)
Depreciation charge	(270)	(132)	(402)
Other	–	–	–
Balance at 30 June	325	240	565

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$ '000	2023	2022
Balance at 1 July	575	748
Additions	(4)	227
Accretion of interest	10	16
Payments	(384)	(416)
Balance at 30 June	197	575
Classified as:		
Current	160	375
Non-current	37	200

The maturity analysis of lease liabilities is included in Note 13.

Council had total cash outflows for leases of \$384k.

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 17. Leases (continued)

\$ '000	2023	2022
The following are the amounts recognised in profit or loss:		
Depreciation expense of right-of-use assets	366	402
Interest expense on lease liabilities	10	16
Expense relating to short term leases	236	127
Total amount recognised in profit or loss	612	545

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 18. Superannuation

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

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (10.5% in 2022-23, 10.00% in 2021-22). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2021-22) of "superannuation" salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2020. 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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 19. Interests in other entities

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

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2023	2022	2023	2022
Council's share of net income				
Joint ventures	150	67	2,631	2,416
Associates	–	–	–	–
Total Council's share of net income	150	67	2,631	2,416

((a)i) Joint ventures, associates and joint operations

(a) Carrying amounts

\$ '000	Principal Activity	2023	2022
Adelaide Hills Regional Waste Management Authority	Waste Management	1,392	1,241
Eastern Waste Management Authority	Waste Management	148	121
Gawler River Floodplain Management Authority	Floodplain Management	1,091	1,054
Total carrying amounts - joint ventures and associates		2,631	2,416

Adelaide Hills Regional Waste Management Authority

Adelaide Hills Regional Waste Management Authority is a regional subsidiary pursuant to S43 of the *Local Government Act 1999*. Council has an interest in the assets and liabilities of the Adelaide Hills Regional Waste Management Authority. The other member Councils are Alexandrina, Mt. Barker and Murray Bridge.

Eastern Waste Management Authority

Eastern Waste Management Authority is a regional subsidiary pursuant to S43 of the *Local Government Act 1999*. Council has an interest in the assets and liabilities of the Eastern Waste Management Authority. The other member Councils are Burnside, Campbelltown, Mitcham, Norwood, Payneham & St. Peters, Prospect, Unley and Walkerville.

Gawler River Floodplain Management Authority

Gawler River Floodplain Management Authority is a regional subsidiary pursuant to S43 of the *Local Government Act 1999*. Council has an interest in the assets and liabilities of the Gawler River Floodplain Management Authority. The other member Councils are Adelaide Plains, Barossa, Gawler, Light Regional and Playford.

(b) Relevant interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2023	2022	2023	2022	2023	2022
Adelaide Hills Regional Waste Management Authority	35.34%	34.63%	36.90%	37.10%	20.00%	25.00%
Eastern Waste Management Authority	12.50%	14.29%	12.50%	14.29%	11.11%	14.29%
Gawler River Floodplain Management Authority	5.14%	4.87%	5.14%	4.54%	15.38%	16.67%

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 19. Interests in other entities (continued)

(c) Movement in investment in joint venture or associate

\$ '000	Eastern Waste Management Authority		Gawler River Floodplain Management Authority		Adelaide Hills Regional Waste Management Authority	
	2023	2022	2023	2022	2023	2022
Opening Balance	121	241	1,054	993	1,242	1,108
Share in Operating Result	23	(54)	(20)	(12)	145	133
Share in Other						
Comprehensive Income	18	1	(1)	–	6	–
Adjustments to Equity	(14)	(67)	58	73	(1)	1
Council's equity share in the joint venture or associate	148	121	1,091	1,054	1,392	1,242

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 20. Contingencies and assets/liabilities not recognised in the balance sheet

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, 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.

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. Legal expenses

The Adelaide Hills Council Assessment Panel and the Assessment Manager are the relevant authorities for planning consent under the *Planning, Development and Infrastructure Act 2016* and building surveyors working for the Council have delegation to determine building consent.

The Adelaide Hills Council Building Fire Safety Committee is the relevant authority to issue building fire safety notices and the administration staff have delegations to issue enforcement notices.

Pursuant to legislation, applicants and land owners have a right of appeal to the Environment Resource and Development Court (ERD Court) against decisions, building fire safety notices or, enforcement notices from relevant authorities.

At 30 June 2023, there was finalisation of a Supreme Court appeal supported by the Elected Council against the 2022 decision of the ERD Court to grant planning and land division consent to a Crafers land division. The Supreme Court required Council to pay the costs of the applicant as part of the determination. All costs have been recognised.

There was one (1) assessment matter and also nine (9) active enforcement matters in the ERD Court at 30 June 2023, with Council seeking to have costs reimbursed from the offending party where the unlawful development is proven through the appeal process.

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 21. Events after the balance sheet date

Events that occur after the reporting date of 30 June 2023, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

Council is unaware of any "non adjusting events" that merit disclosure.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 22. Related party transactions

Key management personnel

Transactions with key management personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 25 persons were paid the following total compensation.

\$ '000	2023	2022
The compensation paid to key management personnel comprises:		
Short-term employee benefits	1,759	1,744
Long-term benefits	128	132
Total	1,887	1,876

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

Receipts from key management personnel comprise:

Other than amounts paid as ratepayers or residents (e.g. rates), Council received the following amounts in total:

Planning and building application Fees	-	6
Total	-	6

Elected Members are members of the management committees of the following organisations:

- Activating Bridgewater Inc
- Adelaide Hills (War Memorial) Swimming Centre Inc
- Adelaide Hills Climate Action Group
- Adelaide Hills Reconciliation Working Group
- Adelaide Hills Regional Waste Management Authority (AHRWMA)
- AHC Biodiversity Advisory Group
- AHC Sustainability Advisory Group
- Aldgate Primary School Governing Council
- Australian Labour Party (SA) - Heysen sub-branch & Mayo Federal Electoral Council
- Birdwood CFS
- Eastern Waste Management Authority (East Waste)
- Gawler River Floodplain Management Authority
- Gumeracha & Districts Town Hall
- Gumeracha Sub Branch RSL
- Heathfield High School Governing Council
- Hills Climate Collection
- Lenswood & Forest Range Community Association Inc
- Lobethal Centennial Hall Committee
- Piccadilly CFS
- Piccadilly Valley Community Recreation Centre
- Southern & Hills Local Government Association (SHLGA)
- The Hut Community Centre Inc.
- Torrens Valley Celebration Committee
- Woodside Hall Committee
- Woodside Recreation Grounds Committee Inc.

Council made payments totalling \$5,898,710 to the above organisations for the period ending 30 June 2023.

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 22. Related party transactions (continued)

The most material payments were made to:

- Eastern Waste Management Authority (\$3.923m) for the collection and disposal of waste and recycling materials.
- Adelaide Hills Regional Waste Management Authority (\$1.607m) for the collection and disposal of waste and associated services.
- The Hut Community Centre (\$178k) for the provision of Community Home Support Programs, operating funding, volunteers and event expenditure.

Employees are members of the following Boards/Management Committees

- Adelaide Hills Tourism
- Adelaide Hills Regional Waste Management Authority (AHRWMA)
- East Waste Management Authority
- Gawler River Floodplain Management Authority (GRFMA)
- Southern & Hills Local Government Association (SHLGA)

Council made additional payments totalling \$169,142 to the above organisations for the period ending 30 June 2023.

All Elected Members and employees manage their conflict of interest obligations regarding related parties in accordance with the applicable provisions of the *Local Government Act 1999*.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 23. Equity - retained earnings and revaluation reserves adjustments

Nature of prior-period error

During the year, Council identified that:

Capital Work in Progress included assets of \$960,012 that related to land that Council disposed of in the financial year ended 30 June 2019. The land had been derecognised at the date of disposal, but the associated capital work in progress were carried forward until 30 June 2022 financial year.

Capital Work in Progress and Asset Revaluation Reserve related to partial renewal assets were overstated by \$1,208,492 in the 30 June 2022 financial year.

Both errors were corrected in the current year as prior period adjustments, with comparative information restated accordingly.

Changes to the opening Statement of Financial Position at 1 July 2021**Statement of Financial Position**

\$ '000	Original Balance 1 July, 2021	Impact Increase/ (decrease)	Restated Balance 1 July, 2021
Infrastructure, Property, Plant & Equipment	433,592	(960)	432,632
Total assets	439,819	(960)	438,859
Accumulated Surplus	142,182	(960)	141,222
Total equity	415,647	(960)	414,687

Adjustments to the comparative figures for the year ended 30 June 2022**Statement of Financial Position**

\$ '000	Original Balance 30 June, 2022	Impact Increase/ (decrease)	Restated Balance 30 June, 2022
Adjustment for Infrastructure Property Plant & Equipment	454,149	(2,168)	451,981
Total assets	454,149	(2,168)	451,981
Accumulated Surplus	147,964	(960)	147,004
Asset Revaluation Reserves	275,831	(1,208)	274,623
Total equity	423,894	(2,168)	421,726

INDEPENDENT AUDITOR'S REPORT TO THE PRINCIPAL MEMBER OF ADELAIDE HILLS COUNCIL

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Adelaide Hills Council (the Council), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the certification of financial statements.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Council as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 2011*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Council in accordance with the *Local Government Act 1999* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Local Government Act 1999*, which has been given to the Council, would be in the same terms if given to the Council as at the time of this auditor's report.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report are the general purpose financial reports of Adelaide Hills Council's joint ventures including Adelaide Hills Regional Waste Management Authority, Eastern Waste Management Authority and Gawler River Floodplain Management Authority.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

The financial report of Adelaide Hills Council, for the year ended 30 June 2022 was audited by another auditor who expressed an unmodified opinion on that report on 12 October 2022.

Responsibilities of management and those charged with governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.



BDO Audit Pty Ltd



Linh Dao
Director

Adelaide, 25 October 2023

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF ADELAIDE HILLS COUNCIL

Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by Adelaide Hills Council ('Council') in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2022 to 30 June 2023 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, in all material respects:

- (a) The controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- (b) The controls operated effectively as designed throughout the period from 1 July 2022 to 30 June 2023.

Basis for opinion

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

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

The Council's responsibilities for the internal controls

The Council is responsible for:

- a) The receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Identifying the control objectives
- c) Identifying the risks that threaten achievement of the control objectives
- d) Designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) Operating effectively the controls as designed throughout the period.

Our independence and quality control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and apply Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

Assurance practitioner's responsibilities

Our responsibility is to express an opinion, in all material respects, on the suitability of the design to achieve the control objectives and the operating effectiveness of controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities. ASAE 3150 requires that we plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operated effectively throughout the period.

An assurance engagement to report on the design and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the control objectives and the operating effectiveness of controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness of those controls that we consider necessary to achieve the control objectives identified. An assurance engagement of this type also includes evaluating the suitability of the control objectives.

Limitations of controls

Because of the inherent limitations of an assurance engagement, together with any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved and so fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on operating effectiveness of controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.



BDO Audit Pty Ltd



Linh Dao
Director

Adelaide, 25 October 2023

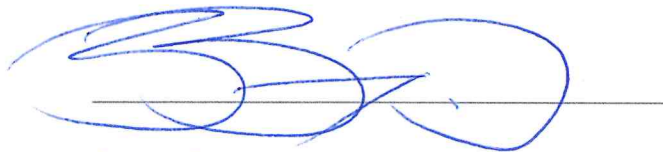
Adelaide Hills Council

General Purpose Financial Statements for the year ended 30 June 2023

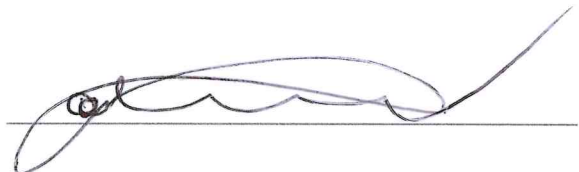
Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Council for the year ended 30 June 2023, the Council's Auditor, BDO has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Gregory Georgopoulos
Chief Executive Officer



Malcolm Herrmann
Presiding Member Audit Committee

Date: 17/10/23

CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of the Adelaide Hills Council for the year ended 30 June 2023, I have maintained my independence in accordance with the requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code), Part 4A, 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*.



Linh Dao
Director

BDO Audit Pty Ltd

Adelaide, 12 October 2023



Appendix Two

Subsidiary Annual Reports

2022 2023

ANNUAL REPORT





SUSTAINABLE
WASTE MANAGEMENT
THROUGH SHARED
SERVICES

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ABOUT AHRWMA

The Adelaide Hills Region Waste Management Authority is a Local Government Regional Subsidiary established by The Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge, pursuant to Section 43 of the *Local Government Act, 1999*.

Our Member Councils resolved to work together via the Authority to coordinate waste management and recycling within the region. Under our Charter the Authority's purpose is to facilitate, co-ordinate and undertake waste management including waste collection, treatment, disposal and recycling within the Region.

The Authority's business activities include landfill operations, resource recovery centre management, hook-lift truck transport services and mobile concrete crushing services on behalf of and for the benefit of our Member Councils. The Authority also represents our Member Councils in relevant forums, provides technical waste and resource management advice and coordinates education services across the region.

The Authority operates a landfill facility, currently receiving over 50,000 tonnes of material annually, with approximately 44,000 tonnes being disposed to the active landfill cells. We have a strong focus to divert waste from landfill, extracting materials such as metals, construction and demolition waste, tyres and mattresses for processing and reuse.

The Brinkley and Heathfield facilities receive over 10,000 tonnes of material annually, with approximately 7,800 tonnes recovered and diverted from landfill – a diversion rate of 72%. We recover resources such as E-waste, chemical containers, polystyrene, cardboard, tyres, mattresses, green organics and concrete. We also receive household chemicals for environmentally appropriate storage, management and disposal.

Our reviewed Charter was Gazetted in June 2022 and under this Charter our five-member Board, including an Independent Chair was established. Our Audit Committee Terms of Reference were reviewed with a new Audit and Risk Committee, including two independent members being appointed in February 2023.



OUR REGION

POPULATION
134,841



5048.7
SQUARE KMS

26.7
PEOPLE PER
SQUARE KM

2

FROM THE INDEPENDENT CHAIRPERSON

I am pleased to present our Annual Report for the 2022-23 fiscal year. This year marks not only the first full year of operation under our revised Charter and the establishment of a new Board structure, but also my inaugural year as the Independent Chair of the Authority.

Our commitment to our mission remained steadfast throughout the year. We continued to operate a compliant landfill while championing the principles of the Circular Economy. Notably, we diverted approximately 14,000 tonnes of waste from landfill, redirecting these materials toward reprocessing and reuse, a clear example of our commitment to sustainability.

Our efforts extended to assisting our Constituent Councils in managing challenging waste streams, demonstrated by the dedicated drop-off facility at the Heathfield Resource Recovery Centre. Here, over 48 tonnes of chemicals found safe disposal, removing hazardous materials from our environment and minimising risks to our communities.

We were delighted to welcome a new Circular Economy Officer to the Authority's team and eagerly anticipate the contributions this position will make to both our organisation and our Constituent Councils.

With the assistance of Green Industries SA, we provided vital support in the wake of the significant River Murray Flooding event in early 2023. Our efforts assisted with the safe and ethical disposal of damaged infrastructure, facilitating the cleanup for residents and mitigating potential health risks from flood-damaged materials.

Our unwavering commitment to workplace health and safety (WHS) has continued and we are pleased to have recorded no lost time injuries. We were also honoured to be recognised as a major regional winner of the LGA's WHS award for our exemplary training competency process, reaffirming our commitment to a safe working environment.





Financially, we exceeded expectations, realising a surplus which will be invested in asset and infrastructure replacement, maintenance, and capital projects, ensuring our long-term sustainability.

I would like to extend my appreciation to our Executive Officer, Leah Maxwell, whose dedication has been instrumental in our achievements. Equally, I wish to thank our staff whose commitment drives our mission forward. We are fortunate to have such a skilled and dedicated team working diligently for the benefit of our Councils and communities.

I would also like to acknowledge the contributions of our Board Members and our Audit and Risk Committee. Their guidance, leadership, and dedication have been pivotal in striving for the best outcomes for the Authority and its Constituent Councils. To our Constituent Councils, I extend my gratitude for your continued collaboration, support, and trust in our organisation.

As we move forward, the Authority remains committed to improving governance and risk management across all facets of our operation. We are dedicated to assisting our Constituent Councils in delivering efficient and effective waste and resource management services. Beyond our core services, we maintain an active presence in the wider industry, representing our Constituent Councils in relevant forums.

Thank you for your continued partnership and trust in the Authority. Together, we look forward to another year of progress, sustainability, and success.

ADRIAN SKULL
Independent Chairperson





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GOVERNANCE

BOARD MEMBERS JUNE 2023

The Authority is administered by a Board in accordance with the requirements of the Local Government Act, the Authority's Charter and applicable policies. The Board is responsible for the overall governance, management and strategic direction of the Authority. The Board meets at least 5 to 6 times each financial year.

INDEPENDENT CHAIR



ADRIAN SKULL
5 of 5 Meetings

MOUNT BARKER DISTRICT COUNCIL



ALEX OULIANOFF
Board Member
5 of 5 Meetings

ADELAIDE HILLS COUNCIL



CR LUCY HUXTER
Board Member
2 of 3 Meetings

RURAL CITY OF MURRAY BRIDGE



HEATHER BARCLAY
Board Member
2 of 4 Meetings

ALEXANDRINA COUNCIL



ANDY BAKER
Board Member
2 of 3 Meetings



CR BRADLEY ORR
Deputy Board Member
0 Meetings



JOHN MCARTHUR
Deputy Board Member
0 Meetings



BRAD WARNCKEN
Deputy Board Member
2 Meetings



GARY LYONS
Deputy Board Member
0 Meetings

Deputy Members attend meetings only as required

Historical Board Member & Deputy Attendances FY2023

Board Member	Attended
John McArthur	2 of 2
Michael Scott	1 of 1
Tim Tol	1 of 1
Deputy Member (attendance as required)	
Phil Burton	0

AUDIT AND RISK COMMITTEE

The Audit Committee's Terms of Reference were reviewed with a new Audit and Risk Committee established in February 2023, consisting of 2 Board Members and 2 Independent Members.

ARC Member Attendances June 2023

Member	Attended
Alex Oulianoff (Mount Barker)	5 of 5
Elizabeth Williams (Independent Chair)	3 of 3
Rebecca Wilson (Independent Member)	3 of 3
Heather Barclay (Murray Bridge)	3 of 4
Historical Attendances Pre Feb 2023	
Peter Brass (Independent Chair)	2 of 2
Greg Parker (Mount Barker)	1 of 1
Elizabeth Williams (Alexandrina)	0 of 1

MANAGING DIFFICULT WASTE STREAMS AND DRIVING A CIRCULAR ECONOMY

Diverted, Recovered & Reprocessed	
300 tonnes	of cardboard
848 tonnes	of metal & batteries
109 tonnes	of mattresses
12 tonnes	of tyres
19 tonnes	of polysterene & hard plastics
72 tonnes	of E-waste
0.45 tonnes	of x-rays

Over 6,000 tonnes
OF GREEN ORGANICS PROCESSED IN TO MULCH AND COMPOST

Over 9,900 tonnes
OF C&D & SOILS DIVERTED FROM LANDFILL

SAFELY DISPOSED
48 tonnes
OF CHEMICALS

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PERFORMANCE AGAINST BUSINESS PLAN

Actions, Targets and Measures	Measurable Outcome	Status
Embrace the waste hierarchy and circular economy principles - the Authority will aim to assist and positively influence the recycling markets as much as possible via its operations and services.	Authority activities, operations and projects align with waste hierarchy and circular economy.	Achieved and ongoing. We continue to divert waste from landfill where possible and ensure our activities align with the waste hierarchy and circular economy.
Represent Constituent Councils in the waste and resource recovery sector.	Provide responses on behalf of Constituent Councils to State, Federal and other communications regarding legislation/policy changes etc. Attend WMRR meetings and actively participate in State and Federal waste/resource recovery LGA/State/ Federal/industry groups.	Achieved and ongoing. The Authority's representatives have attended WMRR meetings and industry group meetings/conferences throughout the year and have submitted regional responses regarding policy and industry changes.
Induct the newly appointed Board and Independent Chair.	New Board inducted.	Complete.
Finalise the 10-year Strategic Plan.	Final plan adopted and implemented.	Draft document and workshop complete.
Consider landfill gas management at the Brinkley Landfill site.	Complete Landfill Gas Feasibility Study and consider management options.	Feasibility study complete – Project ongoing.
Implement staged capping and closure of Brinkley Landfill cells in accordance with capping and closure plan.	Capping completed in accordance with plan.	Draft plan is being revised to incorporate LFG feasibility study – Project ongoing.
Continue to manage the Brinkley Landfill site and cell construction to maintain adequate airspace for waste disposal needs.	Ongoing review and assessment completed.	Complete. Cell under construction. Ongoing requirement.
Manage the Brinkley Landfill as a compliant facility.	All EPA compliance requirements are met.	Complete. Ongoing requirement.

Actions, Targets and Measures	Measurable Outcome	Status
Establish the landfill to be a model and leading-edge regional facility. Utilise the landfill and transfer stations as educational tools where possible.	Site used for educational purposes (tours/presentations/photos and articles).	Complete and ongoing. The Authority uses the site to facilitate visits from schools and community groups and uses photos for educational purposes.
Continue to establish the Authority as an expert in the field of waste and resource management and act as an information source for Constituent Councils and their communities.	Information provided to Constituent Councils and communities on an ongoing basis.	Complete and ongoing. Newsletter established and provided to stakeholders.
Continue to implement media and advertising programs aiming to increase education across the region.	Manage an updated website and increase social media presence.	Complete. Website updated and managed.
Continue to explore options to coordinate Constituent Council waste services where cost savings can be identified and progressively implement approved shared services across Constituent Councils.	W&RRO is established. Shared services implemented, where there is benefit to Constituent Councils	Complete – position established and filled. Ongoing.
Hold quarterly meetings with key senior staff from each of the Constituent Councils to consider Council priorities.	A minimum of four meetings held.	Not complete. Regular meetings have been held with some Councils, not all on a consistent basis.
Continue to operate the Resource Recovery Centres efficiently, with a focus on resource recovery, waste hierarchy and cost effectiveness.	Continue to divert waste from landfill where possible. Maintain the net result where possible and work towards a break-even position.	Complete. The RRC’s achieved average diversion rate of 72%. Ongoing requirement.
Continue to review and update WHS policies and systems.	WHS and policies reviewed.	Complete. Ongoing requirement.
Work with the LGA Mutual Liability Scheme to ensure the Authority is meeting requirements.	Meeting held with scheme reps and programs implemented where required.	Complete. Ongoing requirement.
Implement the Waste and Resource Management Plan and action the initiatives identified within this plan.	Waste and Resource Recovery Plan implemented.	Not Complete. Draft document complete, which informed the Strategic Plan. Document to be updated and presented to the Board/ Constituent Councils for endorsement.
Create a Waste and Resource Recovery Officer Position within the Authority – providing Strategic Support for Constituent Councils.	Waste and Resource Recovery Officer Position implemented.	Complete. Circular Economy Officer appointed.



FINANCIAL INDICATORS

The Authority's financial indicator performance targets assist in ensuring the long term financial sustainability of the Authority.

Indicators	Short Term Target	Long Term Target	Original Budget	Year End Actual
Operating Surplus/(Deficit)	>0%	2%	1%	5%
Net Financial Liabilities Ratio	70%	55%	29%	10%
Interest Cover Ratio	1.5%	1%	0.2%	0.1%
Asset Renewal Funding Ratio	100%	100%	45%	337%

The operating surplus/(deficit) ratio for year end actual is stronger than the original budget. This ratio continues to meet the short term target and for a second year in a row has met the long term target of 5%. Meeting this target ensures 5% of total revenue is available to fund proposed capital expenditure.

Net financial liabilities ratio exceeded the original budget. Increased income and management of operating expenditure enabled the Authority to repay borrowings earlier than planned. A downward trend of 13% last end of year and 10% this year, indicates the Authority's ability to meet financial obligations from operating revenue is strengthening.

Interest cover ratio indicates the Authority has used 0.1% of operating revenue to pay interest expenses. This is less than the original budget as borrowings were repaid earlier than anticipated.

The spike of the asset renewal funding ratio for end of year actual is a result of renewing capital as planned for FY2023 as well as capital that had not been renewed the previous year due to the impacts of the pandemic. This ratio for end of year FY2022 was 0%. The original budget of 45% was less than the short and long term target because the renewal of an asset as planned in the asset management plan, did not need replacing.

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AUDITED FINANCIAL STATEMENTS



**Adelaide Hills Region Waste
Management Authority
General Purpose Financial Reports
for the year ended 30 June 2023**

Adelaide Hills Region Waste Management Authority
General Purpose Financial Reports
for the year ended 30 June 2023

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**Adelaide Hills Region Waste Management Authority
Annual Financial Statements
for the year ended 30 June 2023**

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the 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 2023 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.



.....
Leah Maxwell
EXECUTIVE OFFICER



.....
Adrian Skull
CHAIRPERSON

Date: 21 September 2023

Adelaide Hills Region Waste Management Authority
Statement of Comprehensive Income
for the year ended 30 June 2023

		2023	2022
	Notes	\$	\$
INCOME			
User charges	2	6,157,023	5,725,347
Grants, subsidies and contributions - Operating	2	15,000	20,000
Investment income	2	18,014	915
Other income	2	2,674,892	2,509,049
Total Income		8,864,929	8,255,311
EXPENSES			
Employee costs	3	1,814,004	1,608,869
Materials, contracts & other expenses	3	5,821,230	5,567,723
Depreciation, amortisation & impairment	3	810,157	680,098
Finance costs	3	7,709	14,485
Total Expenses		8,453,100	7,871,175
OPERATING SURPLUS / (DEFICIT)		411,829	384,136
Asset disposal & fair value adjustments	4	16,270	-
NET SURPLUS / (DEFICIT) transferred to Equity Statement		428,099	384,136
TOTAL COMPREHENSIVE INCOME		428,099	384,136

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 2023

	Notes	2023 \$	2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,478,418	1,051,069
Trade & other receivables	5	956,920	1,355,484
Inventories	5	10,554	9,153
Total Current Assets		<u>2,445,892</u>	<u>2,415,706</u>
Non-current Assets			
Infrastructure, property, plant & equipment	6	4,670,029	4,373,956
Total Non-current Assets		<u>4,670,029</u>	<u>4,373,956</u>
Total Assets		<u>7,115,921</u>	<u>6,789,662</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	7	975,952	847,330
Borrowings	7	51,170	224,073
Provisions	7	269,474	338,649
Total Current Liabilities		<u>1,296,596</u>	<u>1,410,052</u>
Non-current Liabilities			
Borrowings	7	90,434	141,604
Provisions	7	1,956,092	1,893,306
Total Non-current Liabilities		<u>2,046,526</u>	<u>2,034,910</u>
Total Liabilities		<u>3,343,122</u>	<u>3,444,962</u>
NET ASSETS		<u>3,772,799</u>	<u>3,344,700</u>
EQUITY			
Accumulated surplus		<u>3,772,799</u>	<u>3,344,700</u>
TOTAL EQUITY		<u>3,772,799</u>	<u>3,344,700</u>

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 2023

		Accumulated Surplus	TOTAL EQUITY
2023	Notes	\$	\$
Balance at end of previous reporting period		3,344,700	3,344,700
Net Surplus / (Deficit) for Year		<u>428,099</u>	<u>428,099</u>
Balance at end of period		<u>3,772,799</u>	<u>3,772,799</u>
2022	Notes	\$	\$
Balance at end of previous reporting period		2,960,564	2,960,564
Net Surplus / (Deficit) for Year		<u>384,136</u>	<u>384,136</u>
Balance at end of period		<u>3,344,700</u>	<u>3,344,700</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 2023

	Notes	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
User charges		6,020,093	5,669,183
Investment receipts		13,000	359
Grants utilised for operating purposes		15,000	20,000
Other revenues		3,204,067	2,994,261
<i>Payments:</i>			
Employee costs		(1,770,067)	(1,550,030)
Materials, contracts & other expenses		(5,774,423)	(5,597,961)
Finance payments		(8,474)	(17,954)
Net Cash provided by (or used in) Operating Activities		<u>1,699,196</u>	<u>1,517,858</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Sale of replaced assets		149,265	-
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(1,079,713)	-
Expenditure on new/upgraded assets		(117,326)	(234,866)
Net Cash provided by (or used in) Investing Activities		<u>(1,047,774)</u>	<u>(234,866)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		-	(450,000)
<i>Payments:</i>			
Repayments of borrowings		(175,248)	-
Repayment of principal portion of lease liabilities		(48,825)	(46,560)
Net Cash provided by (or used in) Financing Activities		<u>(224,073)</u>	<u>(496,560)</u>
Net Increase (Decrease) in cash held		<u>427,348</u>	<u>786,432</u>
Cash & cash equivalents at beginning of period	8	<u>1,051,069</u>	<u>264,637</u>
Cash & cash equivalents at end of period	8	<u>1,478,418</u>	<u>1,051,069</u>

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

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

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 on a going concern basis using the historical cost convention in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, interpretations and relevant South Australian legislation.

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

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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 and Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at c/- of Mount Barker District Council, 6 Dutton Road, Mount Barker. These financial statements have been prepared for use by Constituent Councils of the Authority.

3 Income recognition

3.1 Revenue

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.

4 Cash, Cash Equivalents and Other Financial Instruments

4.1 Cash, Cash Equivalent Assets

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.

4.2 Other Financial Instruments

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 also form part of Note 9.

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.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the 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 given in Note 6. No capitalisation threshold is applied to the acquisition of land or interests in land.

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.

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 the Authority, best reflects the consumption of the service potential embodied in those assets.

Major depreciation periods for each class of asset are shown in Note 6. Depreciation periods for infrastructure assets have been estimated based on the best information available to the 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.

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.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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 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 Provisions

9.1 Employee Benefits

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 on costs) 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 on-costs) 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 the Authority 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.

Superannuation:

The Authority makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and the Authority's involvement with the schemes are reported in Note 13.

9.2 Provisions for reinstatement, restoration, rehabilitation.

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

The Authority recognises a capping liability for all past and present active landfill cell operational areas. For which capping rehabilitation works have not yet been completed.

The Authority recognises a capping liability for a historical cell given it is believed that it will be responsible for capping this area in future years and has accordingly recognised a liability. The Authority however is not presently obligated to undertake this work given the liability to cap the cell resides with the existing owners of the site.

The Authority has calculated the liability based on an alternate capping design being accepted by the Environmental Protection Authority South Australia (EPA) which is in the process of being approved. Should there be an unfavourable outcome from the alternate capping plan application process, this may result in further increases to the liability needing to be recorded in future periods.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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. This was last reviewed and revalued by Golder Associates Ltd on 29 July 2019.

10 Leases

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, being the land leased at Brinkley Landfill.

i) Right-of-use assets

The Authority recognises right-of-use assets as at commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life

ii) Lease liabilities

At the commencement date, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

11 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.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME

	2023	2022
Notes	\$	\$
USER CHARGES		
Waste processing and disposal fee	6,157,023	5,725,347
	<u>6,157,023</u>	<u>5,725,347</u>
INVESTMENT INCOME		
Interest on investments:		
Interest on investments	18,014	915
	<u>18,014</u>	<u>915</u>
OTHER INCOME		
Consultancy service	9,726	10,053
Waste officer contribution	-	59,588
Waste transfer station income	1,777,999	1,711,808
Waste transfer station recuperation	120,570	99,302
Transport income	404,709	317,837
Fuel tax rebate	57,159	52,185
Machinery charge out	103,320	109,774
Recycled income	46,838	15,745
Sundry	154,571	132,757
	<u>2,674,892</u>	<u>2,509,049</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Sundry	15,000	20,000
Sources of grants		
Other	15,000	20,000
	<u>15,000</u>	<u>20,000</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE

	Notes	2023 \$	2022 \$
EMPLOYEE COSTS			
Salaries and Wages		1,392,629	1,187,834
Employee leave expense		159,688	174,725
Superannuation - defined contribution plan contributions	13	142,868	123,126
Superannuation - defined benefit plan contributions	13	5,785	4,595
Workers' Compensation Insurance		41,663	46,358
Other employment related costs		71,371	72,231
Total Operating Employee Costs		1,814,004	1,608,869
Total Number of Employees		18	16
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		5,405	5,289
Subtotal - Prescribed Expenses		5,405	5,289
<u>Other Materials, Contracts & Expenses</u>			
Materials, contractors and other		417,944	293,753
Waste transfer station expenses		1,240,894	1,212,752
Consultants		42,097	47,044
Administration and Board		135,220	76,094
EPA licence fee		9,986	9,793
Repairs and maintenance		199,387	201,980
Insurance and legal		57,129	39,978
EPA waste levy paid		3,372,177	3,394,154
Parts, accessories & consumables		323,355	263,237
Sundry (should not be a material amount)		17,636	23,649
Subtotal - Other Materials, Contracts & Expenses		5,815,825	5,562,434
		5,821,230	5,567,723

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE con't

	Notes	2023 \$	2022 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Road infrastructure		5,534	5,534
Buildings		15,686	15,062
Vehicles		32,258	31,501
Plant and equipment		394,950	317,487
Landfill cells		150,165	144,320
Leachate pond		8,697	8,697
Landfill rehabilitation		19,030	46,121
Landfill cell capping		135,294	62,833
Right of use assets	16	48,543	48,543
		<u>810,157</u>	<u>680,098</u>
FINANCE COSTS			
Interest on overdraft and short-term drawdown		1,116	8,323
Interest on Leases		6,593	6,162
		<u>7,709</u>	<u>14,485</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

		2023	2022
	Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		149,265	-
Less: Carrying amount of assets sold		<u>132,995</u>	<u>-</u>
Gain (Loss) on disposal		<u>16,270</u>	<u>-</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 5 - CURRENT ASSETS

	2023	2022
	Notes	
CASH & EQUIVALENT ASSETS	\$	\$
Cash on Hand and at Bank	470,195	324,529
Deposits at Call	1,008,223	726,540
	<u>1,478,418</u>	<u>1,051,069</u>
TRADE & OTHER RECEIVABLES		
Accrued Revenues	184,818	705,312
Debtors - general	772,102	650,172
	<u>956,920</u>	<u>1,355,484</u>
INVENTORIES		
Stores & Materials	10,554	9,153
	<u>10,554</u>	<u>9,153</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

	2022				2023			
	\$'000				\$'000			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Road infrastructure	-	138,352	(49,875)	88,477	-	138,352	(55,409)	82,943
Buildings	-	277,199	(121,244)	155,955	-	283,676	(136,930)	146,746
Vehicles	-	164,768	(87,244)	77,524	-	183,567	(87,470)	96,097
Plant and equipment	-	3,813,144	(2,056,669)	1,756,475	-	4,103,801	(1,710,293)	2,393,508
Landfill cells	-	2,559,142	(1,596,991)	962,151	-	2,559,142	(1,747,156)	811,986
Leachate pond	-	173,938	(71,500)	102,438	-	173,938	(80,197)	93,741
Landfill rehabilitation	461,206	-	(289,933)	171,273	452,668	-	(308,963)	143,705
Landfill cell capping	1,537,083	-	(699,074)	838,009	1,587,807	-	(834,368)	753,439
WIP	-	43,660	-	43,660	-	18,413	-	18,413
Right of use assets	-	323,623	(145,629)	177,994	-	323,623	(194,172)	129,451
Total IPP&E	1,998,289	7,493,826	(5,118,159)	4,373,956	2,040,475	7,784,512	(5,154,958)	4,670,029
Comparatives	-	9,182,710	(4,438,060)	4,744,650	1,998,289	7,493,826	(5,118,159)	4,373,956

This Note continues on the following pages.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2022	Carrying Amounts Movement During the Year							2023	
	\$	\$							\$	
	Carrying Amount	Additions		Disposals	Dep'n	Impair't	Transfers		Adjustment	Carrying Amount
	New / Upgrade	Renewals	In				Out			
Road infrastructure	88,477	-	-	-	(5,534)	-	-	-	-	82,943
Buildings	155,955	4,300	2,177	-	(15,686)	-	-	-	-	146,746
Vehicles	77,524	-	67,749	(16,918)	(32,258)	-	-	-	-	96,097
Plant and equipment	1,756,475	101,773	1,009,787	(116,077)	(394,950)	-	36,500	-	-	2,393,508
Landfill cells	962,151	-	-	-	(150,165)	-	-	-	-	811,986
Leachate pond	102,438	-	-	-	(8,697)	-	-	-	-	93,741
Landfill rehabilitation	171,273	-	-	-	(19,030)	-	-	-	(8,538)	143,705
Landfill cell capping	838,009	-	-	-	(135,294)	-	-	-	50,724	753,439
WIP	43,660	11,253	-	-	-	-	(36,500)	-	-	18,413
Right of use assets	177,994	-	-	-	(48,543)	-	-	-	-	129,451
Total IPP&E	4,373,956	117,326	1,079,713	(132,995)	(810,157)	-	36,500	(36,500)	42,186	4,670,029
<i>Comparatives</i>	<i>4,744,650</i>	<i>260,416</i>	<i>-</i>	<i>-</i>	<i>(680,098)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>48,988</i>	<i>4,373,956</i>

This note continues on the following pages.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

General Valuation Principles

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. Where applicable, accumulated depreciation calculated on the basis of such cost reflects the already consumed or expired future economic benefits of the asset.

Capitalisation thresholds used by the Authority for a representative range of assets are shown below. 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

Estimated Useful Lives: Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Plant, Furniture & Equipment

Office Equipment	3 to 5 years
Other Plant & Equipment	5 to 10 years

Infrastructure

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

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 7 - LIABILITIES

	Notes	2023		2022	
		Current	Non-current	Current	Non-current
		\$		\$	
TRADE & OTHER PAYABLES					
Goods & Services		797,083		744,440	
Payments received in advance		-	-	15,000	-
Accrued expenses - employee entitlements		92,512	-	-	-
Accrued expenses - other		-	-	765	-
Aged Care Facility Deposits					
Deposits, Retentions & Bonds					
GST Payable		46,840		43,173	
Other		39,518		43,952	
		<u>975,952</u>	<u>-</u>	<u>847,330</u>	<u>-</u>
BORROWINGS					
Leases Liabilities	16	51,170	90,434	48,825	141,604
Other		-	-	175,248	-
		<u>51,170</u>	<u>90,434</u>	<u>224,073</u>	<u>141,604</u>

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

PROVISIONS

LSL Employee entitlements (including oncosts)		165,400	72,400	184,500	51,800
AL Employee entitlements (including oncosts)		104,074	-	154,149	-
Future reinstatement / restoration, etc		-	1,883,692	-	1,841,506
		<u>269,474</u>	<u>1,956,092</u>	<u>338,649</u>	<u>1,893,306</u>

Movements in Provisions - 2023 year only

	Future Reinstatement	Cell Capping	Total
Opening Balance	461,206	1,380,300	1,841,506
Add (Less) Remeasurement Adjustments	(8,538)	50,724	42,186
Closing Balance	<u>452,668</u>	<u>1,431,024</u>	<u>1,883,692</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 8 - 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	2023 \$	2022 \$
Total cash & equivalent assets	5	<u>1,478,418</u>	<u>1,051,069</u>

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

Net Surplus (Deficit)	428,099	384,136
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	810,157	680,098
Net increase (decrease) in unpaid employee benefits	43,936	58,839
Net (Gain) Loss on Disposals	<u>(16,270)</u>	<u>-</u>
	1,265,922	1,123,073
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	402,231	433,491
Net (increase) decrease in inventories	(1,401)	(7,195)
Net increase (decrease) in trade & other payables	<u>32,444</u>	<u>(31,511)</u>
Net Cash provided by (or used in) operations	<u>1,699,196</u>	<u>1,517,858</u>

(c) Non-Cash Financing and Investing Activities

Estimated future reinstatement etc. costs	<u>42,186</u>	48,988
	<u>42,186</u>	<u>48,988</u>

(d) Financing Arrangements

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

Corporate Credit Cards	10,000	10,000
LGFA Cash Advance Debenture facility	1,650,000	1,650,000

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

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: initially recognised at lower of cost and net realisable value, interest is recognised when earned.</p> <p>Terms & conditions: deposits on call have an average interest rate of 4.3% (2022: 1.55%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Fees and other charges	<p>Accounting Policy: carried at nominal values less any allowances for doubtful debts.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: liabilities are normally settled on 30 days after the month of invoice.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: carried at the principle amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, interest is payable quarterly and principle due at CAD end date.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Leases	<p>Accounting Policy: accounted for in accordance with AASB 16 as stated in Note 1.</p>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2023	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash & Equivalents	1,478,418			1,478,418	1,478,418
Receivables	908,573	-	-	908,573	956,920
Total	2,386,991	-	-	2,386,991	2,435,338
Financial Liabilities					
Payables	975,952	-	-	975,952	883,440
Current Borrowings	-	-	-	-	-
Lease Liabilities	54,852	93,742	-	148,594	141,604
Total	1,030,804	93,742	-	1,124,546	1,025,044
2022					
	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash & Equivalents	1,051,069	-	-	1,051,069	1,051,069
Receivables	1,383,072	-	-	1,383,072	1,355,484
Total	2,434,141	-	-	2,434,141	2,406,553
Financial Liabilities					
Payables	846,565	-	-	846,565	846,565
Current Borrowings	190,407	-	-	190,407	175,248
Lease Liabilities	53,776	148,595	-	202,371	190,429
Total	1,090,748	148,595	-	1,239,343	1,212,242

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

	30 June 2023		30 June 2022	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
LGFA cash advance debenture	-	-	1.75	175,248
Non interest bearing		975,952		846,565
		975,952		1,021,813

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS (con't)

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 impairment. 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 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 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 Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority 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. 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.

Note 10 - EXPENDITURE COMMITMENTS

The Authority as at 30 June 2023 had no obligation for expenditure

Note 11 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED

There were no contingencies, assets or liabilities not recognised subsequent to 30 June 2023 that need to be disclosed in the financial statements.

Note 12 - EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There were no events subsequent to 30 June 2023 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 2023

Note 13 – SUPERANNUATION

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (10.5% in 2022-23; 10% in 2021-22). No further liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2021-22) of "superannuation" salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), the Authority does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2021. 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 the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

The Authority 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 Authority.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 14 - FINANCIAL INDICATORS

These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

	2023	2022	2021
Operating Surplus Ratio			
<u>Operating Surplus</u>	4.6%	4.7%	20.3%
Total Operating Income			

This ratio expresses the operating surplus as a percentage of total operating revenue.

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	10%	13%	19%
Total Operating Income			

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

Asset Renewal Funding Ratio

<u>Outlays on Existing Assets</u>	337%	0%	87%
Asset Renewals - IAMP			

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

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 15 - 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 Authorities in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

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

	2023	2022
	\$	\$
Income		
<i>User charges</i>	6,157,023	5,725,347
<i>Grants, subsidies and contributions - Operating</i>	15,000	20,000
<i>Investment income</i>	18,014	915
<i>Other income</i>	2,674,892	2,509,049
	<u>8,864,929</u>	<u>8,255,311</u>
Expenses		
<i>Employee costs</i>	(1,814,004)	(1,608,869)
<i>Materials, contracts and other expenses</i>	(5,821,230)	(5,567,723)
<i>Depreciation, amortisation and impairment</i>	(810,157)	(680,098)
<i>Finance costs</i>	(7,709)	(14,485)
	<u>(8,453,100)</u>	<u>(7,871,175)</u>
Operating Surplus / (Deficit)	411,829	384,136
<i>Timing adjustment for grant revenue</i>	-	-
Adjusted Operating Surplus / (Deficit)	411,829	384,136
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(1,079,713)	-
Add back Depreciation, Amortisation and Impairment	810,157	680,098
Proceeds from Sale of Replaced Assets	149,265	-
	<u>(120,291)</u>	<u>680,098</u>
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(117,326)	(234,866)
Annual Net Impact to Financing Activities (surplus/(deficit))	<u>174,212</u>	<u>829,368</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 16 - LEASES

The Authority as a Lessee

Right of Use Assets

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, being the land leased at Brinkley Landfill.

Set out below are the carrying amounts (written down value) of right of use assets recognised within Infrastructure Property, Plant & Equipment and the movements during the period:

Right of Use Assets <i>(Carrying Value)</i>	Land
At 1 July 2022	177,994
Depreciation Charge	<u>(48,543)</u>
At 30 June 2023	<u>129,451</u>

Set out below are the carrying amounts of lease liabilities (including under interest bearing loans and borrowings) and the movements during the period:

	2023
Opening Balance 1 July 2022	190,429
Accretion of Interest	6,593
Payments	<u>(55,418)</u>
Closing Balance 30 June 2023	<u>141,604</u>
Current	51,170
Non Current	90,434

The maturity analysis of lease liabilities is included in Note 9.

The Authority had total cash outflows for leases of \$53,776.

The following are amounts recognised on profit or loss:

Depreciation expense right of use assets	48,543
Interest expense on lease liabilities	<u>6,593</u>
Total amount recognised in profit and loss	<u>55,136</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 17 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Chair, the Board, Executive Officer and certain prescribed officers under section 112 of the Local Government Act 1999. In all, Key Management Personnel were paid the following total compensation:

	2023	2022
	\$	\$
Salaries, allowances & other short term benefits	207,518	227,175
TOTAL	207,518	227,175

Allowances / benefits incurred in the ordinary course of performing the KMPs role, and amounts paid as direct reimbursement of expenses incurred on behalf of Authority have not been included above.

The following transactions occurred with related parties:

	2023	Outstanding 30 June 2023	2022	Outstanding 30 June 2022
	\$,000	\$,000	\$,000	\$,000
Adelaide Hills Council - provision of waste processing & disposal service	1,525	187	1,481	136
Alexandrina Council - provision of waste processing & disposal service	219	19	261	25
Mount Barker District Council - provision of waste processing & disposal service	1,325	119	1,260	109
Rural City of Murray Bridge - provision of waste processing & disposal service	771	69	885	62
TOTAL	3,840	394	3,887	332

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

Amounts recorded as outstanding from related parties are recorded in trade and other receivables in Note 6.

The related parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority. No Constituent Council individually has control of the policies.

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2023

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 2023, 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.

Greg Georgopoulos
CHIEF EXECUTIVE OFFICER
Adelaide Hills Council



Date: 15 August 2023

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2023

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 2023, 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.



.....
Trish Kirkland
ACTING CHIEF EXECUTIVE OFFICER
Alexandrina Council

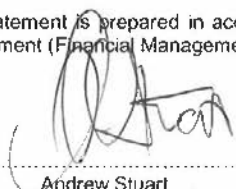
Date: 4 August 2023

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2023

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 2023, 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.



Andrew Stuart
CHIEF EXECUTIVE OFFICER
Mount Barker District Council

Date: 3/8/23

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2023

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 2023, 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.



.....
Heather Barclay
CHIEF EXECUTIVE OFFICER
Rural City of Murray Bridge

Date:02.08.2023

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Dean Newbery
ABN: 48 007 865 081

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 2023, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Part 4A, 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 CRETEN

Director

DEAN NEWBERY

31/07/2023

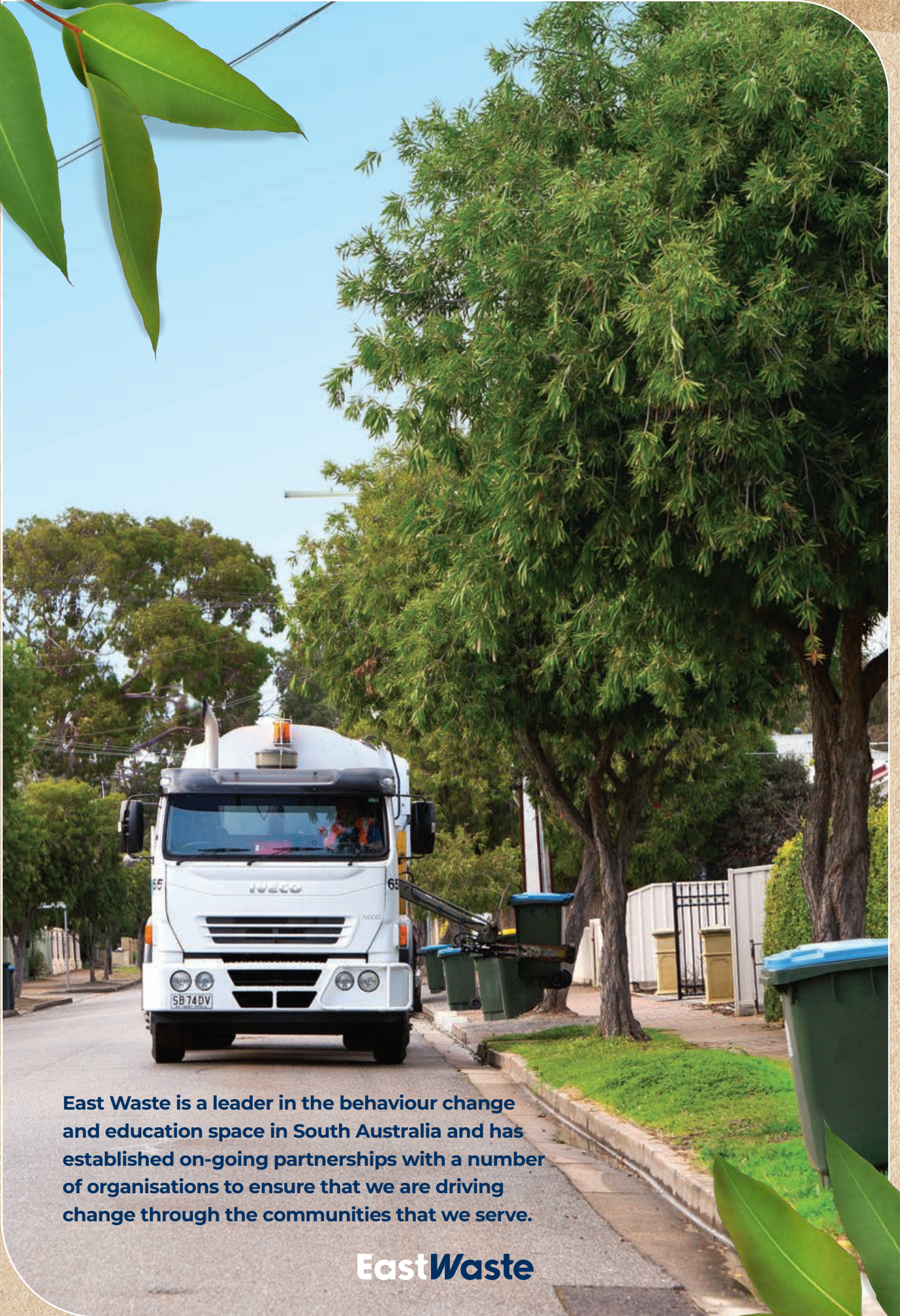


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MURRAY BRIDGE
SA 5253

EastWaste

ANNUAL REPORT
2022-2023





East Waste is a leader in the behaviour change and education space in South Australia and has established on-going partnerships with a number of organisations to ensure that we are driving change through the communities that we serve.

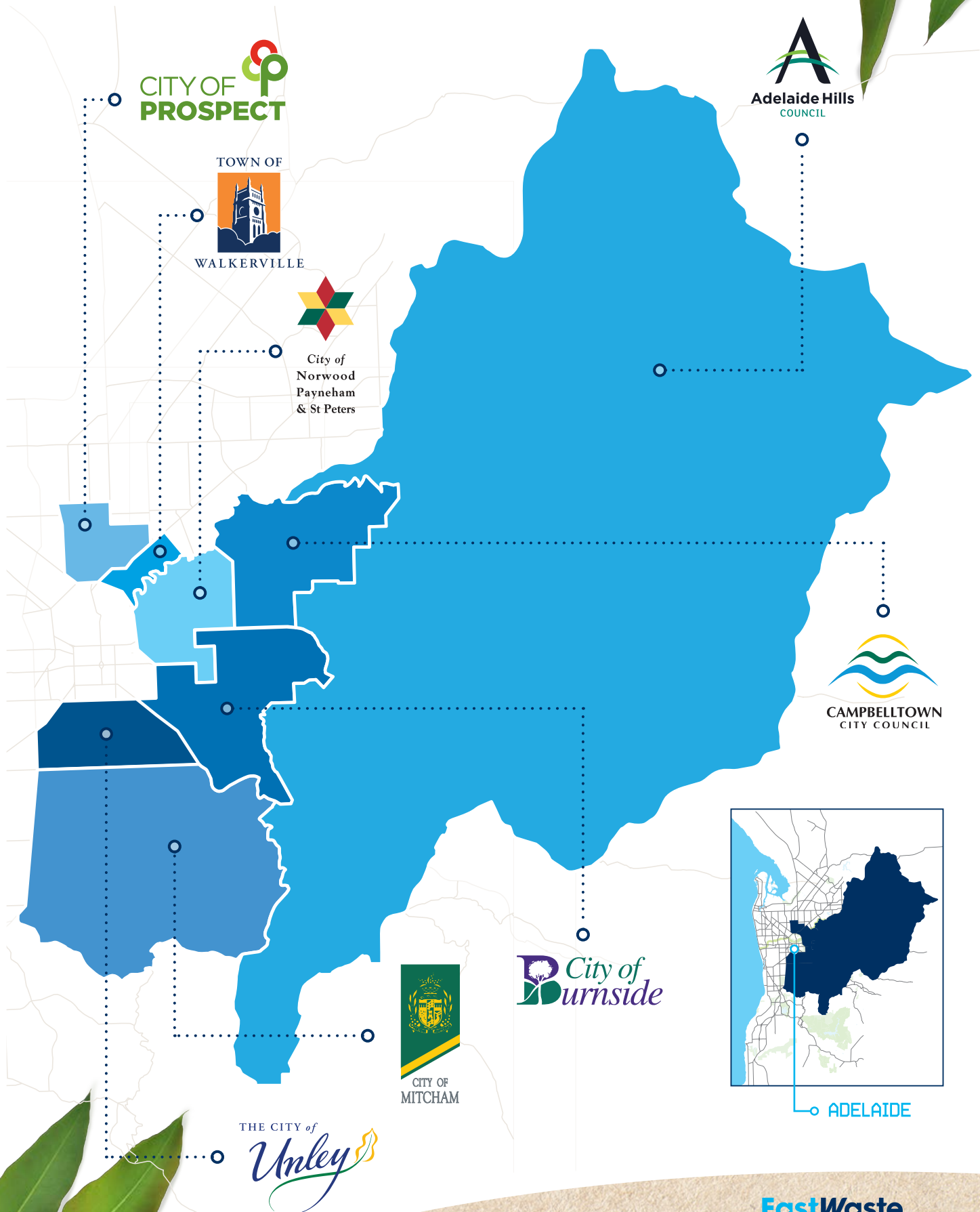
EastWaste

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East Waste Service Area



Chairperson's Report

I am pleased to present my fourth Annual Report as the Chairperson of East Waste, covering the 2022/2023 financial year. This year has been marked by a number of key milestones as we continued to focus on our strategic vision “to be the leading waste logistics company in Australia through the delivery of innovative collection and resource management services to our Member Councils and their communities”.

Welcoming the City of Unley as a new member Council in August 2022 was a significant achievement for East Waste and helps to highlight the value that East Waste brings to our member Councils and their Communities. The addition of our eighth (8) member council underlines our commitment to fostering collaboration and ensuring sustainable waste management solutions for our growing community of Member Councils. The ability for the collective East Waste team to effectively plan and remain adaptable resulted in the onboarding of the City of Unley being a seamless transition.

Our Audit and Risk Management Committee has continued to provide invaluable advice on risk management, financial stewardship, and

governance which have been pivotal to our sustained success. I would like to extend my appreciation to all Committee members for their ongoing support and advice.

East Waste's dedication to driving behavioural change and education in South Australia remains a cornerstone of our mission. We have established enduring partnerships with key organisations such as Green Industries and KESAB to champion change within the communities we serve. These partnerships enable us to provide accurate and timely information to our communities, facilitating a transition toward sustainable waste management practices outlined in our 2030 Strategic Plan.



Chairperson's Report

In line with the local government elections we saw a notable transformation in our Board's composition.

This shift brought about fresh perspectives and diverse expertise during the 2022/2023 financial year. The new additions are poised to reinforce the Board's capacity to drive favourable outcomes for East Waste and our Member Councils.

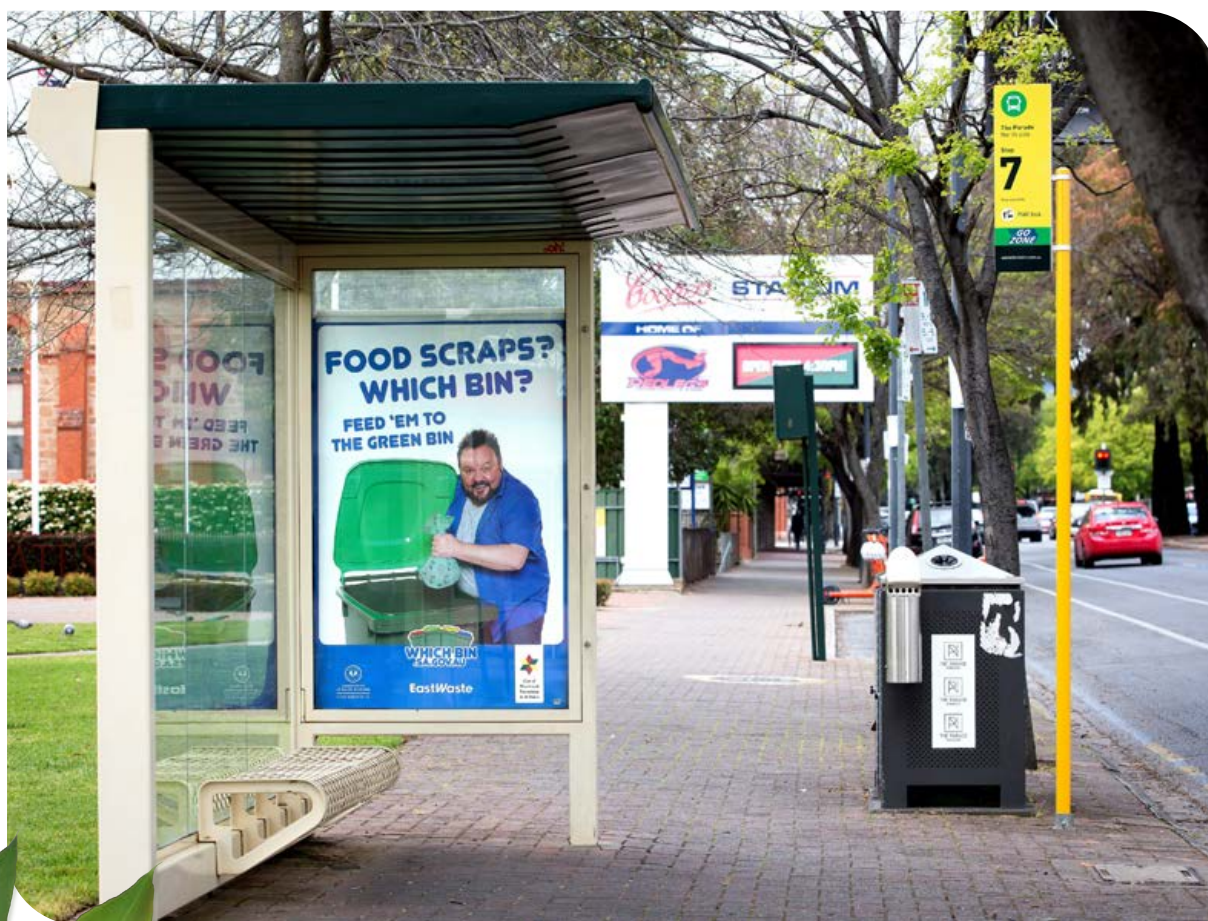
I would like to take this opportunity to extend my appreciation to both our current and departing Board members for their valuable contributions. Your dedication and insights have been instrumental in steering East Waste, and your continued support is pivotal as we continue to innovate and lead change in the industry.

Drawing upon my extensive experience in the waste industry, I am excited about the ever-changing landscape that lies ahead.

East Waste will continue to lead, evolve, and grow as we collectively address the challenges and opportunities that shape the future of waste management. I look forward to another year of progress and innovation as we work together to create a financially and environmentally sustainable future.



Fraser Bell
Independent Chairperson





EastWaste

In 2022-2023 East Waste...



116,820 TOTAL TONNAGES COLLECTED



9,800,000⁺ ANNUAL BIN COLLECTIONS



21,904 HARD WASTE COLLECTIONS COMPLETED



2,950 HARD WASTE TONNES CONVERTED TO FUEL



58% OF MATERIAL DIVERTED FROM LANDFILL



50 COLLECTION VEHICLES



8,421 BIN REPAIRS UNDERTAKEN BY THE MOBILE TEAM



4,091 BIN DELIVERIES COMPLETED



93,750 ENQUIRIES RECEIVED & RESOLVED



12,189 MATTRESS'S COLLECTED AND RECYCLED



6,185 ADDITIONAL BIN PERMITS APPROVED

General Manager's Report

This year has been a significant one for us, marked by a number of milestones and achievements. Our commitment to sustainability, innovation, and operational efficiency has ensured our success in delivering exceptional waste management services to our member Councils and their communities.

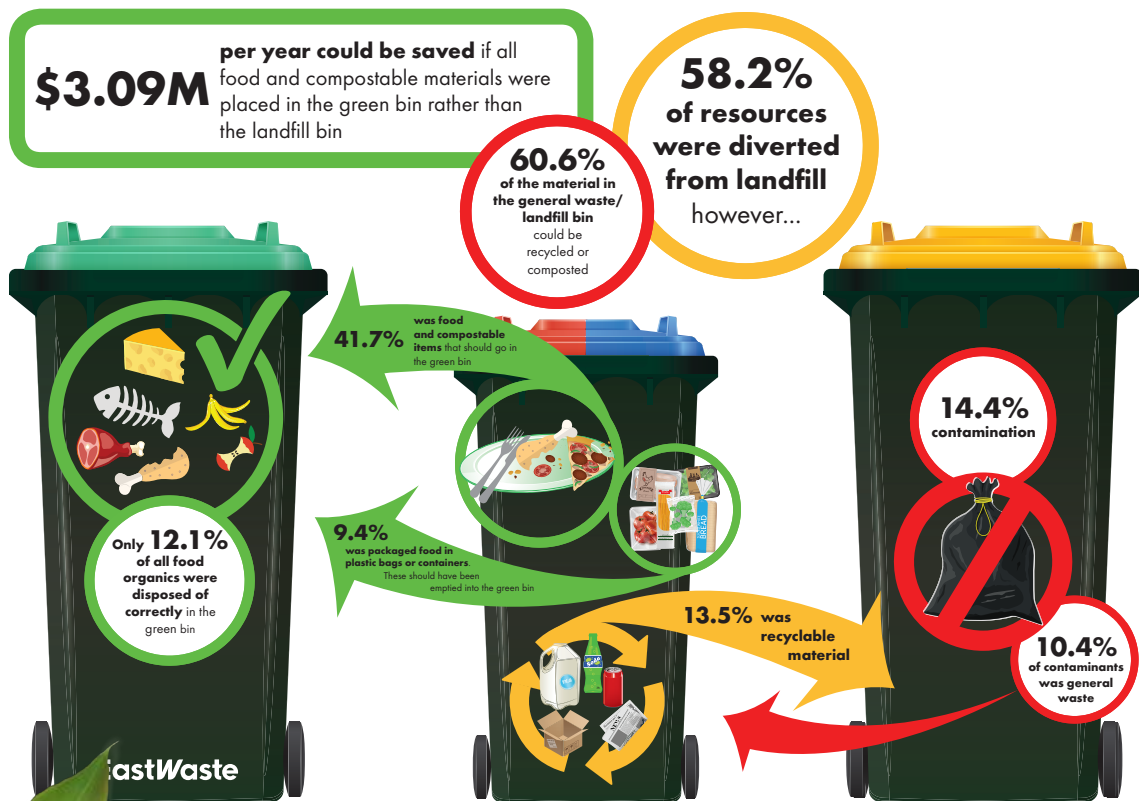
In August 2022, we were thrilled to welcome the City of Unley as a new Member Council. This is one of the most significant changes for East Waste in recent years, the new addition not only provided our existing Member Councils with reduced costs, it has also strengthened our regional network and opportunities for collective collaboration in waste management initiatives.

We look forward to working closely with the City of Unley who share our commitment to drive positive sustainability change.

During FY23, East Waste established crucial partnerships with two (2) leading recycling facilities being Central Adelaide Waste and Recycling Authority (CAWRA) and the Southern Region Waste Resource Authority (SRWRA). These strategic alliances have provided additional

recycling and circular economy flexibility whilst also enhancing our recycling capabilities and promoting sustainable waste practices. Our joint efforts continue to reduce the environmental impact of waste disposal and improve the circular economy within our region.

We continued our commitment to optimising waste segregation and recycling practices through comprehensive kerbside bin audits. These audits provided valuable insights into the composition of waste generated within our communities, enabling us to tailor educational campaigns and encourage responsible waste disposal habits. By promoting awareness and addressing contamination issues, we aim to continue to increase recycling rates, minimise costs and reduce waste/resources going to landfill.



General Manager's Report

In our pursuit of our strategic goal associated with reducing organic waste being sent to landfills, we have started working with a number of our Member Councils to investigate weekly Food/Organics bin collections (FOGO trials). FOGO trials will commence in FY24 and will see some of our member Councils introducing fortnightly waste collections services and weekly food/organics collections. These trials will provide valuable information and we anticipate seeing an improvement in waste/ landfill diversion as a direct result.

None of our accomplishments would have been possible without the dedication and hard work of our exceptional team. Their unwavering commitment to excellence, innovation, and customer service has been the driving force behind our continued success. I extend my deepest gratitude to all East Waste staff, Board and Audit & Risk Committee members for their efforts and passion in making a positive impact

on the environment and the communities we serve. As we conclude the 2023 fiscal year, I am proud of the progress we have made towards our vision of being the leading waste logistics company in Australia.

We remain steadfast in our commitment to sustainability, continuous improvement, and fostering strong relationships with our member Councils and stakeholders.



Rob Gregory
General Manager





EastWaste

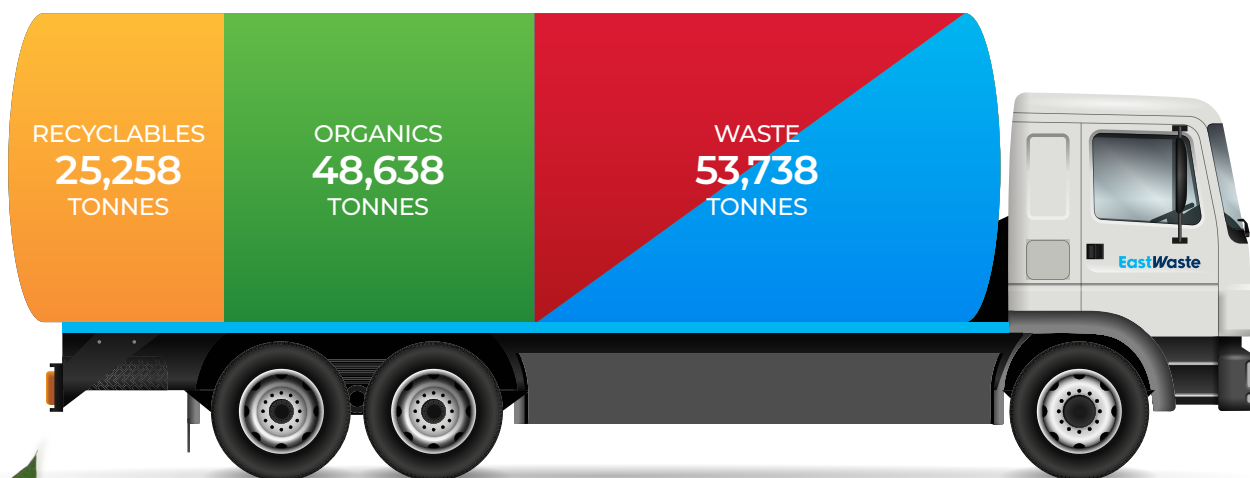
Kerbside Tonnages Collected



Member Council	Recyclables	Organics	Waste
Adelaide Hills Council	3,347	5,043	7,465
City of Burnside	3,816	7,704	7,021
Campbelltown City Council	4,024	8,000	9,932
City of Mitcham *	5,426	11,792	11,480
City of Norwood Payneham & St Peters	3,204	5,620	6,799
City of Prospect	1,695	3,393	3,878
City of Unley **	3,088	5,872	5,727
Town of Walkerville	658	1,214	1,436

*City of Mitcham undertakes the collection of Landfill for its residents

** City of Unley's collections commenced on 1 August, 2022 (11 months of collections).



East Waste Governance

East Waste is administered by a Board in accordance with the requirements of the Local Government Act, the East Waste Charter, and various other policies and codes.

The membership of the Board comprises of eight directors – one director appointed by each of the Member Councils, and one independent person who acts as Chair. The Board appoints a General Manager who is responsible for implementing

the decisions made by the Board and running the day-to-day operations of East Waste. The Board held seven formal meetings over the 2022-2023 financial year. The table below details Board Member attendance.

BOARD MEMBER	MEETINGS
Mr Fraser Bell (Chair)	7/7
Cr Linda Green (Adelaide Hills Council) *ceased November 2022	3/4
Mr Paul Di Iulio (Campbelltown City Council)	2/7
Mayor Heather Holmes-Ross (City of Mitcham)	7/7
Cr Mike Stock (City of Norwood, Payneham & St Peters) *ceased November 2022	4/4
Cr Rob Ashby (Corporation of the Town of Walkerville) *ceased November 2022	2/4
Cr Jenny Turnbull (City of Burnside) *ceased November 2022	2/4
Mr Sam Dilena (City of Prospect) *commenced September 2022	6/6
Mr Claude Malak (City of Unley) *commenced September 2022	5/6
Cr Claire Clutterham (City of Norwood Payneham & St Peters) *commenced January 2023	3/3
Cr Lucy Huxter (Adelaide Hills Council) *commenced January 2023	2/3
Mayor Melissa Jones (Corporation of the Town of Walkerville) *commenced January 2023	2/3
Cr Ted Jennings (City of Burnside) *commenced January 2023	2/3

East Waste Governance

DEPUTY DIRECTOR ATTENDANCE	MEETINGS
Mr Peter Tsokas (City of Unley)	1
Mr Peter Brice (Adelaide Hills Council)	1
Cr Victoria McFarlane (City of Norwood Payneham & St Peters)	2
Cr Jay Allanson (Corporation of the Town of Walkerville)	1
Mr Andrian Wiguna (Campbelltown City Council)	1

Audit and Risk Management Committee

In accordance with the requirements of the Local Government Act 1999, East Waste has an established Audit and Risk Management Committee (the Audit Committee).

The principal objective of the Audit Committee is to ensure that the East Waste Board meets it

legislative and probity requirements as required by the Local Government Act 1999 and other relevant legislation, standards and codes.

The Audit Committee held six formal meetings over the 2022-2023 financial year. The table below details Audit Committee Member attendance.

AUDIT & RISK MANAGEMENT COMMITTEE MEMBER	MEETINGS
Mr Fraser Bell (Independent Board Chair)	6/6
Cr Linda Green (Independent Member) *ceased as Board Member and was appointed Independent Member in February 2023	5/6
Ms Emma Hinchey (Independent Member and Chair)	6/6
Ms Sandra Di Blasio (Independent Member)	6/6
Mr Paul Di Iulio (Board Member) *appointed to the Board in April 2023	0/2

The Audited Financial Statements for the year ending 30 June 2023 are provided on the following pages.

EastWaste
FINANCIAL
STATEMENTS
2022-2023



Financial Statements

2022-2023

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Financial Statements

2022-2023

CERTIFICATION OF FINANCIAL STATEMENTS

EASTERN WASTE MANAGEMENT AUTHORITY INC

Annual Financial Statements
for the financial year ended 30 June 2023

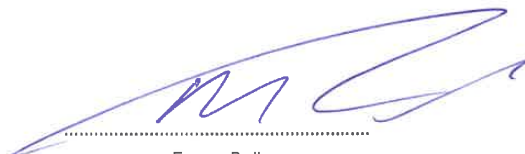
Certification of Financial Statements

We have been authorised by Eastern Waste Management Authority Inc. 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 2023 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.



Rob Gregory
Executive Officer



Fraser Bell
Chairperson

Date: 21 SEPTEMBER 2023

Financial Statements

2022-2023

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
INCOME			
User charges	2	21,188	16,579
Investment income	2	46	10
Grants, subsidies and contributions		-	81
Other	2	1,078	932
Total Income		22,312	17,602
EXPENSES			
Employee costs	3	7,476	6,386
Materials, contracts & other expenses	3	12,184	9,303
Finance costs	3	354	246
Depreciation & amortisation	3	2,108	2,043
Total Expenses		22,122	17,978
OPERATING SURPLUS		190	(376)
Asset disposal & fair value adjustments	4	143	7
NET SURPLUS		333	(369)
Other Comprehensive Income		-	-
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		333	(369)

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

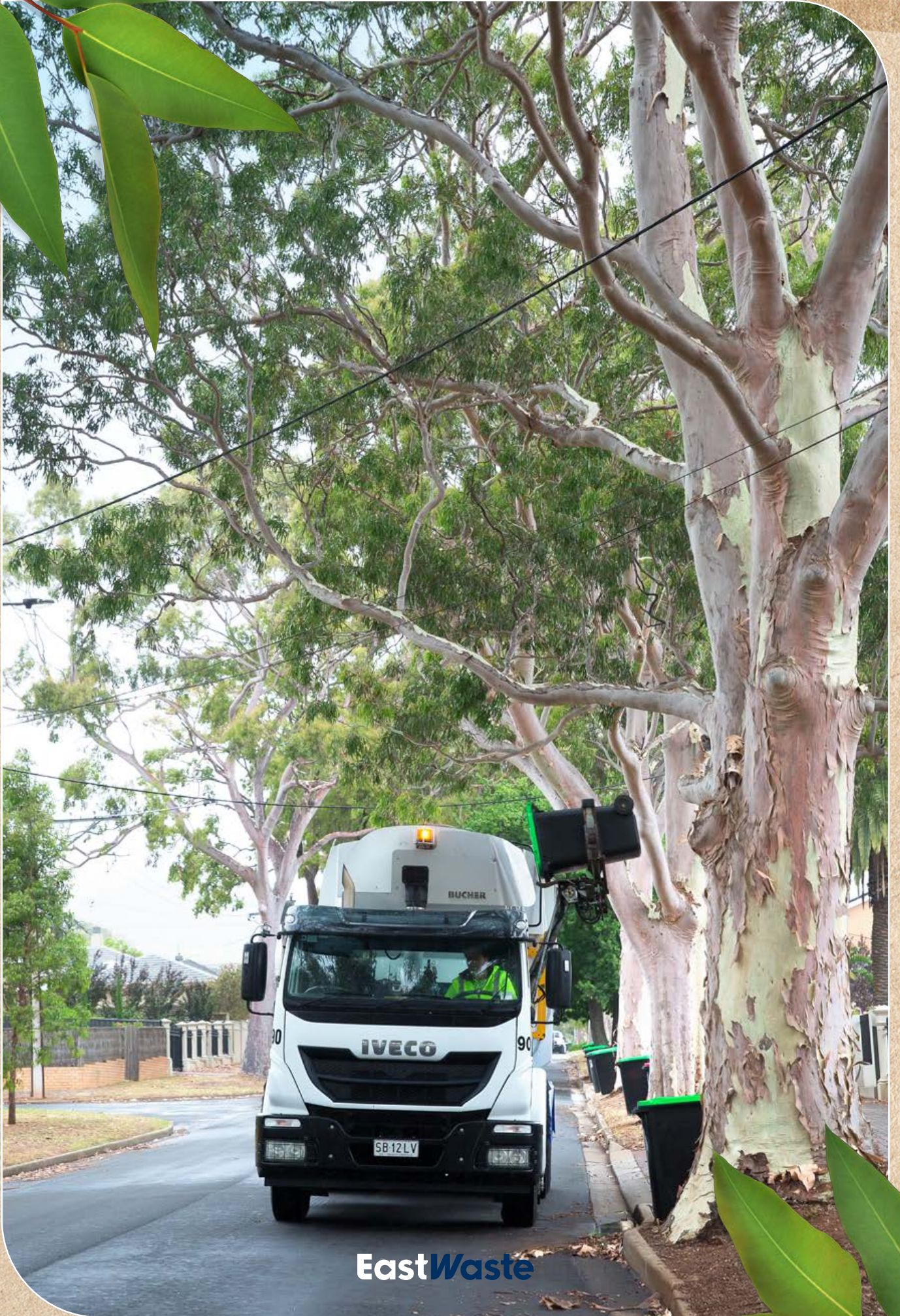
Financial Statements

2022-2023

STATEMENT OF FINANCIAL POSITION for the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,953	2,001
Trade & other receivables	5	746	935
Inventory		43	50
Total Current Assets		4,742	2,986
Non-current Assets			
Property, Plant & Equipment	6	9,510	8,542
Total Non-current Assets		9,510	8,542
Total Assets		14,252	11,528
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	1,266	1,436
Provisions	7	871	778
Borrowings	7	2,306	1,940
Total Current Liabilities		4,443	4,154
Non-current Liabilities			
Borrowings	7	8,490	6,410
Provisions	7	136	114
Total Non-current Liabilities		8,626	6,524
Total Liabilities		13,069	10,678
Net Assets		1,183	850
EQUITY			
Accumulated Surplus		1,183	850
Total Equity		1,183	850

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



EastWaste

Financial Statements

2022-2023

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2023

	Accumulated Surplus \$'000	Total Equity \$'000
Balance at start of period - 1 July 2022	850	850
Net Surplus for Year	333	333
Other Comprehensive Income		
Contributed Equity	-	-
Distributions to Member Councils	-	-
Balance at end of period - 30 June 2023	<u>1,183</u>	<u>1,183</u>
Balance at start of period - 1 July 2021	1,219	1,219
Net Surplus for Year	(369)	(369)
Other Comprehensive Income		
Contributed Equity	-	-
Distributions to Member Councils	-	-
Balance at end of period - 30 June 2022	<u>850</u>	<u>850</u>

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

Financial Statements

2022-2023

STATEMENT OF CASH FLOWS for the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts		22,455	17,400
Investment receipts		46	9
Employee costs		(7,361)	(6,245)
Materials, contracts & other expenses		(12,397)	(9,613)
Finance payments		(304)	(258)
Net cash provided by operating activities	8	2,439	1,293
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale of replaced assets	4	145	86
Expenditure on renewal/replacement of assets	6	(587)	(2,305)
Expenditure on new/upgraded assets	6	(2,484)	(244)
Net cash used in investing activities		(2,926)	(2,463)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		4,525	2,031
Repayments of Borrowings		(1,815)	(1,791)
Repayment of lease liabilities		(271)	(237)
Net cash provided by (used in) financing activities		2,439	3
Net Increase (Decrease) in cash held		1,952	(1,167)
Cash & cash equivalents at beginning of period	5	2,001	3,168
Cash & cash equivalents at end of period	5	3,953	2,001

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

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian 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.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of the Adelaide Hills Council, City of Burnside, Campbelltown City Council, City of Mitcham, City of Norwood, Payneham & St Peters, City of Prospect, The City of Unley and the Corporation of the Town of Walkerville.

The eight Member Councils have an equity share and the Board comprises a Director from each Council and an Independent Chair appointed by the absolute majority of the Member Councils.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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

1.4 Rounding

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

2 The Local Government Reporting Entity

Eastern Waste Management Authority Inc. operates as a regional subsidiary and is incorporated under the *SA Local Government Act 1999*. Its principal place of business is at 1 Temple Court Ottoway.

3 Income Recognition

The Authority recognises revenue under AASB 1058 Income of Not-for-Profit Entities (AASB 1058) or AASB 15 Revenue from Contracts with Customers (AASB 15) when appropriate. In cases where there is an 'enforceable' contract with a customer with 'sufficient specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied.

Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer. In other cases, AASB 1058 applies when a not-for-profit (NFP)

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

entity enters into a transaction where the consideration to acquire the asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives.

The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset that has been received to enable the Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the Authority satisfies its obligations under the transfer.

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 policies applied to financial instruments forms part of Note 9.

5 Property, Plant & Equipment

5.1 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

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".

5.2 Materiality

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

5.3 Depreciation of Non-Current Assets

Property, plant and equipment assets 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 the 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.

Asset Class	Estimated Useful Lives	Capitalisation Threshold
Plant, Machinery & Equipment	3-10 Years	>\$1,000
Buildings & Other Structures	5-20 Years	>\$1,000
Right-of-use-assets	Over period of expected lease	n/a

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

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

5.4 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 Payables

6.1 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 Employee Benefits

7.1 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.

The Authority recognises a liability for employee benefits relating to rostered day off (RDO) entitlements in Note 7 given entitlements are paid-out on termination of employment. Experience indicates that RDO entitlements are generally taken given there is a cap applied to the level of RDO entitlements allowed to be accrued.

No accrual is made for sick leave as the Authority's 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.

7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Hostplus (formerly Statewide Super and prior to that the Local Government Superannuation Scheme).

The Scheme has two types of membership, each of which is funded differently.

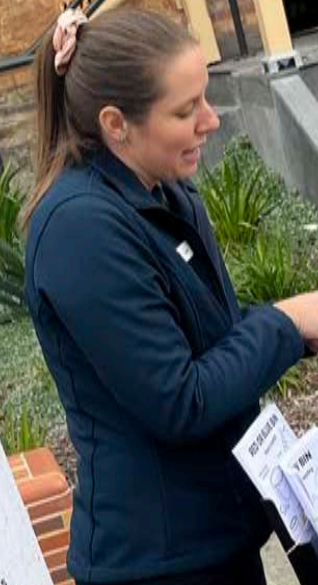


**Waste it?
You can
Compost it.**

- ✓ Seafood, Meat and Bones (Cooked & Raw)
- ✓ Tea Bags and Coffee Grounds
- ✓ Egg and Oyster Shells
- ✓ Dairy Products (Cheese & Yoghurt)
- ✓ Lawn Clippings
- ✓ Weeds
- ✓ Flowers
- ✓ Garden Clippings
- ✓ Towels/Tissues
- ✓ Pet Waste
- NO Plastic Bags or any plastic
- NO Hoses, Irrigation Pipe or Garden Tools
- NO Bricks, Rocks, Dirt or Building Materials

COMPOST

EastWaste



Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with Superannuation Guarantee Legislation (10.5% in 2022/23; 10% in 2021/22). No further liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions as determined by the Fund's Trustee based on advice for the appointed Actuary. The rate is currently 6.3% (6.3% in 2021/22) of 'superannuation' salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2021. 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 the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

The Authority 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 new assets of the scheme, and no further liability attaches to the Authority.

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.

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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 Comparative Information

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

10 Critical Accounting Estimates and Judgements

The Board evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Authority.

11 New Accounting Standards

The Authority did not apply any new accounting standards during the financial year. There are no new accounting standards, interpretations or amendments which are expected to have a material impact on the accounting policies of the Authority for future periods.

12 Authority Membership

The City of Unley became a Member Council of the Authority in July 2022 and waste collection services commenced for the Council as from 1 August 2022. As a result of The City of Unley becoming a Member Council, additional staff have been employed and trucks ordered to meet the additional services being provided by the Authority.

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 2 - INCOME

	Notes	2023 \$'000	2022 \$'000
USER CHARGES			
Waste Collection Income		15,607	12,662
Waste Processing Income		5,326	3,677
Administration		255	240
Member Council Waste Collection Rebate		-	-
		21,188	16,579
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		46	10
		46	10
OTHER INCOME			
Bin Supply		382	409
Replacement Bins		681	474
Sundry		15	49
		1,078	932
NOTE 3 - EXPENSES			
EMPLOYEE COSTS			
Salaries and Wages		5,615	5,115
Employee leave expense		114	93
Superannuation		508	443
Wages Casual Agency		1,017	500
Workers' Compensation Insurance		128	148
Other		94	87
Total Employee Costs		7,476	6,386
<i>Number of FTE Employees as at reporting date</i>		63	61

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 3 - EXPENSES (Cont.)

	Notes	2023 \$'000	2022 \$'000
MATERIALS, CONTRACTS & OTHER EXPENSES			
Auditor's Remuneration		11	9
Board Expenses		41	23
Waste Processing Costs		5,354	3,676
Electricity		10	4
Fuel, Gas & Oil		2,041	1,529
Legal Expenses		23	91
Maintenance		2,828	2,323
Parts, Accessories & Consumables		11	17
Printing, Stationery & Postage		33	41
Professional Services		552	487
Registration & Insurance - Trucks		462	299
Sundry		818	804
		12,184	9,303
FINANCE COSTS			
Interest on Loans		338	224
Interest on Leases		16	22
		354	246
DEPRECIATION & AMORTISATION			
Buildings & Other Structures	6	81	54
Plant, Machinery & Equipment	6	1,768	1,733
Right-of-use assets	6	259	256
		2,108	2,043

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 4 - ASSET DISPOSALS

Notes	2023 \$'000	2022 \$'000
Proceeds from disposal	145	86
Less: Carrying amount of assets sold	(2)	(79)
Gain (Loss) on disposal	143	7

NOTE 5 - CURRENT ASSETS

CASH & CASH EQUIVALENTS

Cash on Hand and at Bank	3,724	1,818
Deposits at Call	229	183
	3,953	2,001

TRADE & OTHER RECEIVABLES

Debtors - general	718	901
Accrued Income	28	34
	746	935

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 6 - PROPERTY, PLANT & EQUIPMENT

	Notes	2023 \$'000	2022 \$'000
Buildings & Other Structures - At Cost		617	569
Accumulated Depreciation		(212)	(146)
		405	423
Plant, Machinery & Equipment - At Cost		19,747	18,929
Accumulated Depreciation		(10,966)	(11,386)
		8,781	7,543
Right-of-use-assets		1,346	1,339
Accumulated Depreciation		(1,022)	(763)
		324	576
Total Property, Plant & Equipment		9,510	8,542

	2022 \$'000						2023 \$'000	
	Carrying Value	Additions		Disposal - Cost	Disposal - Accumulated Depreciation	Depreciation	Adjustment	Carrying Value
		New/ Upgrade	Renewal					
Buildings & Other Structures	423	65	-	(17)	15	(81)	-	405
Plant, Machinery & Equipment	7,543	2,419	587	(2,188)	2,188	(1,768)	-	8,781
Right-of-use-asset	576	-	-	-	-	(259)	7	324
	8,542	2,484	587	(2,205)	2,203	(2,108)	7	9,510
2022 (\$'000)	8,098	244	2,304	(1,049)	970	(2,043)	18	8,542

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 7 - LIABILITIES

	2023		2022	
	\$'000		\$'000	
	Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES				
Goods & Services	1,111	-	1,047	-
Payments received in advance	80	-	80	-
Accrued expenses - other	75	-	80	-
	1,266	-	1,436	-
BORROWINGS				
Loans	2,017	8,413	1,673	6,050
Lease Liabilities	289	77	267	360
	2,306	8,490	1,940	6,410
PROVISIONS				
Annual Leave	447	-	388	-
Rostered-Day-Off (RDO)	65	-	25	-
Long Service Leave	359	136	365	114
	871	136	778	114



EastWaste

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 8 - CASH FLOW RECONCILIATION

	2023 \$'000	2022 \$'000
Total cash & equivalent assets	3,953	2,001
Balances per Cash Flow Statement	<u>3,953</u>	<u>2,001</u>
(a) Reconciliation of Change in Net Assets to Cash Flows from Operating Activities		
Net Surplus (Deficit)	333	(369)
Non-cash items in Statement of Comprehensive Income		
Depreciation	2,108	2,043
Net increase (decrease) in employee benefits	113	119
Net increase (decrease) accrued expenses	234	(12)
(Gain) / Loss on Disposal	(143)	(7)
Lease liability adjustment	7	(18)
	<u>2,652</u>	<u>1,756</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	189	(235)
Net increase (decrease) in trade & other payables	(404)	(242)
Net increase (decrease) in other provisions	2	14
Net Cash provided by (or used in) operations	<u>2,439</u>	<u>1,293</u>
(b) Financing Arrangements		
Corporate Credit Cards	15	15
Cash Advance Debenture Facility - LGFA	1,000	1,000

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 9 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy: Initially recognised at fair value and subsequently measured at amortised cost.

Terms & conditions: Deposits on Call do not have a maturity period and have an average interest rates of 4.3% (2022: 1.05%).

Carrying amount: approximates fair value due to the short term to maturity.

Receivables - Waste Collection Fees & Associated Charges

Accounting Policy: Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

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 Authority.

Terms & conditions: Liabilities are normally settled on 30 day terms.

Carrying amount: approximates fair value.

Liabilities - Interest bearing borrowings

Accounting Policy: initially recognised at fair value and subsequently at amortised cost. Interest is charged as an expense using the effective interest rate.

Terms & conditions: secured over future revenues and Member Councils, borrowings are repayable on fixed interest terms. Rates between 1.7% - 5.65% (2022: 1.7% - 5.35%).

Liabilities - Leases

Accounting Policy: accounted for in accordance with AASB 16 as stated in Note 11.

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 provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. 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 based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 9 - FINANCIAL INSTRUMENTS (Cont.)

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

Liquidity Analysis

2023	≤ 1 year	Maturity		Non-Interest Bearing	Total
		> 1 year ≤ 5 years	> 5 years		
<i>Financial Assets</i>	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents	3,953	-	-	-	3,953
Receivables	-	-	-	718	718
Total	3,953	-	-	718	4,671
<i>Financial Liabilities</i>					
Payables	-	-	-	1,111	1,111
Borrowings	2,017	6,998	1,781	-	10,796
Total	2,017	6,998	1,781	1,111	11,907

2022	≤ 1 year	Maturity		Non-Interest Bearing	Total
		> 1 year ≤ 5 years	> 5 years		
<i>Financial Assets</i>	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents	2,001	-	-	-	2,001
Receivables	-	-	-	901	901
Total	2,001	-	-	901	2,902
<i>Financial Liabilities</i>					
Payables	-	-	-	1,047	1,047
Borrowings	1,940	4,972	1,438	-	8,350
Total	1,940	4,972	1,438	1,047	9,397

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 10 - CAPITAL EXPENDITURE COMMITMENTS

The Authority has capital expenditure commitments totalling an estimated \$2.082 million as at reporting date.

NOTE 11 - LEASES

Authority as a lessee

Right-of-use-assets

The Authority leases its administrative and depot facilities at Ottoway.

	Buildings & Other Structures \$'000	Total \$'000
At 1 July 2022	576	576
Additions of right-of-use-assets	-	-
Depreciation Charge	(259)	(259)
Adjustments to right-of-use-assets	7	7
At 30 June 2023	324	324

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	\$'000
At 1 July 2022	627
Additions	-
Accretion of interest	16
Payments	(269)
Adjustments to lease liability	7
At 30 June 2023	365
Current	289
Non-Current	76

NOTE 12 - POST BALANCE DATE EVENTS

There were no events after reporting date that occurred that require to be reported.

Financial Statements

2022-2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

NOTE 13 - RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other prescribed officers as defined under Section 112 of the *Local Government Act 1999*. In all, 5 persons were paid the following total compensation:

	2023 \$'000	2022 \$'000
Salaries, allowances & other short term benefits	599	483
TOTAL	599	483

Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
Adelaide Hills Council	3,591	81	Provision of kerbside waste collection and hard waste collection services
City of Burnside	3,491	97	Provision of kerbside waste collection and hard waste collection services
City of Mitcham	3,401	166	Provision of kerbside waste collection and hard waste collection services
City of Norwood, Payneham & St Peters	3,233	80	Provision of kerbside waste collection and hard waste collection services
City of Prospect	1,590	100	Provision of kerbside waste collection and hard waste collection services
City of Unley	3,082	104	Provision of kerbside waste collection and hard waste collection services
Corporation of the City of Campbelltown	2,894	27	Provision of kerbside waste collection and hard waste collection services
Corporation of the Town of Walkerville	600	21	Provision of kerbside waste collection and hard waste collection services

The Related Parties disclosed above are equity owners of the Authority and are referred to as Member Councils. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.

Financial Statements

2022-2023

CERTIFICATION OF AUDITOR INDEPENDENCE



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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of Eastern Waste Management Authority Inc for the year ended 30 June 2023, 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.

Bentleys SA Audit Partnership

David Francis
Partner

Dated at Adelaide this 30th August 2023



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Financial Statements

2022-2023

INDEPENDENT AUDITOR'S REPORT



Bentleys SA Audit Partnership

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EASTERN WASTE MANAGEMENT AUTHORITY INC

Opinion

We have audited the accompanying financial report of the Eastern Waste Management Authority Inc, which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the Eastern Waste Management Authority Inc as of 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

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

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.



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Advisors

Accountants

Auditors

Financial Statements

2022-2023

INDEPENDENT AUDITOR'S REPORT



Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

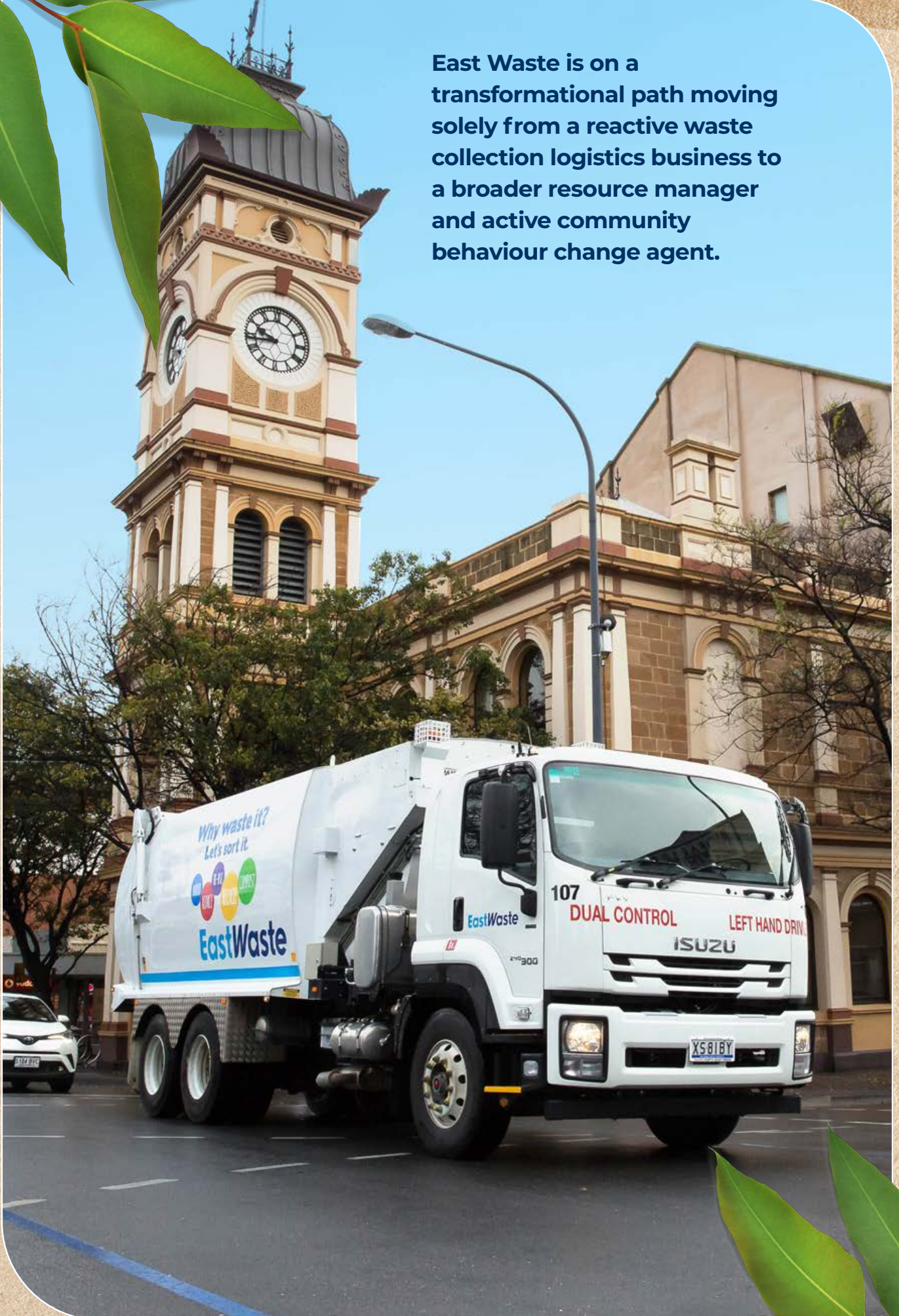
A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP

DAVID FRANCIS
PARTNER

Dated at Adelaide this 22nd day of September 2023

East Waste is on a transformational path moving solely from a reactive waste collection logistics business to a broader resource manager and active community behaviour change agent.





EastWaste



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Ottoway SA 5013



PO Box 26
Mansfield Park SA 5012



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East Waste - Eastern Waste
Management Authority



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The Barossa Council

ANNUAL REPORT 2022-23

Gawler River Floodplain Management Authority

Constituent Councils:

Adelaide Hills Council

Adelaide Plains Council

The Barossa Council

Town of Gawler

Light Regional Council

City of Playford

Gawler



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2. **Gawler River Floodplain Management Authority (GRFMA)**
3. **Governance**
4. **Evaluation of Performance Against the Business Plan**
5. **Financial Statements 2022-23**

Chairperson Foreword

This report period has resulted in a number of primary activities being progressed in investigating preferred flood mitigation works for the Gawler River floodplain.

The Authority has continued its important engagement with the South Australian Government to complete the Gawler River Stormwater Management Plan and projects being undertaken as part of the Department of Environment and Water's Gawler River Flood Mitigation Program and Infrastructure SA Business Case Assurance Framework. More specifically:

Gawler River Stormwater Management Plan:

Consultants engaged by the Authority have now completed a Gawler River Environmental Impact Statement and Draft Stormwater Management Plan Report. The documentation has been assessed by Stormwater Management Plan Steering Committee established by the Authority comprising representation of the Authority, Green Adelaide and Northern and Yorke Landscape Boards, South Australian Department for Environment and Water, and the City of Playford.

The need for further investigation has been identified to ensure the report meets the scope outlined by the South Australian Stormwater Management Authority which ultimately is responsible for its approval. The Gawler River Stormwater Management Plan is now due for completion by the end of December 2023.

Gawler River Flood Mitigation Program:

Authority representatives have worked with the South Australian Department for Environment and Water's established Steering and Project Management Committees to progress the four "no regrets" projects outlined within the Gawler River Flood Mitigation Program primarily funded by the State Government:

1. Removal of trees following Hillier Bushfire (\$350-\$370K)
2. Construction of a drainage system for Virginia, Carmelo and Park Road Drain (\$3.8M)
3. New flood control and warning infrastructure (Gawler West, North Para and Nuriootpa (\$1M)
4. Northern floodway early works, existing levee bank repair, river survey and works (\$3.8M)

Supplementary funding being provided by the Authority's Constituent Councils as necessary. Each project is progressing within allocated budgets.

Gawler River Business Case:

A Gawler River Business Case Executive Committee established by the State Government with a representative from the Authority, Department for Environment and Water and Stormwater Management Authority has been working with a nominated Project Team to progress an Industry SA Assurance Framework process for prospective Gawler River flood mitigation works expected to have a value greater than \$50M.

Infrastructure SA Assurance Framework (ISAAF) has been initiated by the State Government to review, evaluate, and monitor delivery and performance of certain major infrastructure projects. The ISAAF sets out a process whereby Infrastructure SA undertakes a series of independent project reviews in consultation with the relevant public sector agencies.

The Gawler River Business Case is due for completion by end of December 2023.

The resultant investigations and recommendations of both the Gawler River Business Plan and Stormwater Management Plan will potentially identify preferred capital works for flood mitigation in excess of \$50M.

The ISAAF will facilitate pathways to both State and Federal Government funding for recommended capital works. Supplementary funding will be required from Local Government and other identified stakeholders prior to any works being progressed.

All agencies involved with the development of the Gawler River Stormwater Management Plan and Gawler River Business Case will be undertaking consultation with property owners within the floodplain and other stakeholders following completion of investigations and the respective reports.

In addition to the above, the Authority has also progressed the following activities:

- Charter Review 2 Cost Contribution Model:
The Authority has endorsed the principles of the Cost Contribution Model, as a starting point, to facilitate negotiation of Constituent Council contributions towards future Gawler River flood mitigation capital works and/or maintenance works exceeding \$1M.

The Authority has also agreed to pursue discussion with the State and Federal Governments to develop a funding model policy whereby the relevant portion of capital cost funding for flood mitigation projects is agreed between each tier of government.

➤ Disaster Relief Australia Big Map Events:

Disaster Relief Australia (NGO) was invited to conduct two “Big Map” flood mitigation events at the Town of Gawler for invited Constituent Councils, State Government Agencies and other stakeholders. Staffed predominately by Australian Defence Force veterans, the “Big Map” event proved an effective flood indication, mitigation and consultation tool.

The Authority will look to engage Disaster Relief Australia to conduct further “Big Map” events following the completion of the Gawler River Stormwater Management Plan and Business Case. The “Big Map” will be upgraded to include revised flood inundation mapping, flood monitoring/warning equipment and potential flood mitigation infrastructure for the purposes of effective communication with all relevant stakeholders.

➤ Board and Committee Appointments/Acknowledgements:

Confirmation of new appointments to the Board were received for:

- Mr Martin McCarthy and Cr Bruce Preece (The Barossa Council)
- Mr Richard Dodson and Cr Michael Phillips-Ryder (Light Region Council)
- Ms Whendee Young (Town of Gawler)
- Cr Clint Marsh (The City of Playford Council)

Mr Ben Clark (The Barossa Council) was also confirmed as a new appointment to the Technical Assessment Panel.

Retiring Board member acknowledgements were made for:

- Mayor Bim Lange and Mr Gary Mavrinac (The Barossa Council)
- Mr Lokesh Anand (Town of Gawler)

Special acknowledgements were made of long-serving Board members:

- Cr Bill Close and Mr Andrew Philpott (Light Regional Council)

Ian J. Baldwin

Chair and Independent Member

Gawler River Floodplain Management Authority (GRFMA)

The Gawler River

The Gawler River is formed by the confluence of the North Para and South Para in the town of Gawler and is located in the Adelaide Plains district of South Australia. The district surrounding the river produces cereal crops and sheep for both meat and wool, as well as market gardens, almond orchards and vineyards. The farm gate output of the Gawler River Floodplain horticultural areas is estimated to be at least \$225 million.

Purpose of the GRFMA



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

The Charter sets down the powers, functions, safeguards, accountabilities, and an operational framework.

The Authority has been established for the purpose of coordinating the planning, construction, operation, and maintenance of flood mitigation infrastructure for the Gawler River, and for the following functions:

- to raise finance for the purpose of developing, managing, and operating and maintaining works approved by the Board;
- to provide a forum for the discussion and consideration of topics relating to the Constituent Council's obligations and responsibilities in relation to management of flooding of the Gawler River;



- to advocate on behalf of the Constituent Councils and their communities where required to State and Federal Governments for legislative policy changes on matters related to flood mitigation and management and associated land use planning with Gawler River flood mitigation;
- to facilitate sustainable outcomes to ensure a proper balance between economic, social, environmental, and cultural consideration; and
- to provide advice as appropriate to the Constituent Councils in relation to development applications relevant to the Authority's roles and functions.

Governance

The Board

The Authority is governed by the Board of management. The Board comprises of:

- One independent person, who is not an officer, employee, or elected member of a Constituent Council, to be appointed as the Chairperson of the Board of Management of the GRFMA for a term of three years.
- Two persons appointed from each of the six Constituent Councils (12 members in total). Council appointees comprise of the Council CEO, or delegate and one Elected Member.
- Deputy Board members as appointed by each Constituent Council

The Members of the Board are:

Council	Board Members	Deputy Board Members
Chairperson & Independent Member	Mr Ian Baldwin	
Adelaide Hills Council	Cr Malcolm Herrmann Mr Ashley Curtis	Ms Natalie Armstrong
Adelaide Plains Council	Cr Terry-Anne Keen Mr James Miller	Cr John Lush Ms Sheree Schenk
The Barossa Council	Cr Bruce Preece Mr Martin McCarthy	Ben Clark
Town of Gawler	Cr Paul Koch Ms Whendee Young	Cr Brian Sambell
Light Regional Council	Cr Michael Phillips-Ryder Mr Richard Dodson	
City of Playford	Cr Clinton Marsh Mr Greg Pattinson	Cr Peter Rentoulis

Meetings of the Board are held at such time and such place as the Board decides subject only to the requirement that there will be at least one meeting in every two calendar months. Any Constituent Council, the Chairperson or three Board Members may by delivering a written request to the Executive Officer require a special meeting of the Board to be held and any such special meeting shall constitute a special meeting of the Authority.

Ordinary meetings of the Board are generally held bi-monthly on the third Thursday of the even months commencing at 9.45am: excepting December which is held on the second Thursday. Meetings are hosted by the Constituent Councils on a rotational roster with six Board meetings and two Special Board Meetings held during the year as follows:

Ordinary Board Meetings:

- Thursday 18 August 2022 – Town of Gawler
- Thursday 20 October 2022 – Adelaide Plains Council
- Thursday 8 December 2022 – City of Playford
- Thursday 16 February 2023 – Light Regional Council
- Thursday 20 April 2023 – Adelaide Hills Council
- Thursday 15 June 2023 – The Barossa Council

Two Special Board Meetings:

- Thursday 16 March 2023 – City of Playford
- Wednesday 28 June 2023 – Electronic Meeting

Technical Assessment Panel

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

The Members of the Panel are:

- Mr Ian Baldwin, Independent Chair
- Ms Ingrid Franssen, Manager Flood Management, DEWNR
- *Vacant*, Principal Engineer Dams, SA Water
- Mr Ben Clark, The Barossa Council, Council representative
- Mr Braden Austin, City of Playford, Council representative
- Mr David Hitchcock Executive Officer

No meetings of the Panel were held during the year.

Audit Committee

An Audit Committee has been appointed to review:

- the annual financial statements to ensure that they present fairly the situation to the Board; and
- the adequacy of the accounting, internal control, reporting and other financial management systems and practices to the Board on a regular basis.

The Committee held four (4) meetings during the year:

- Monday 8 August 2022
- Monday 28 November 2022
- Monday 6 March 2023
- Monday 5 June 2023

The members of the Committee are:

- Mr Peter Brass, Independent Member and Chairperson
- Mr Greg Pattinson, City of Playford
- Cr Malcolm Herrmann, Adelaide Hills Council

Membership of the GRFMA Audit Committee is for two years, until 30 June 2024.

Executive Officer

An agreement had been entered into with David Hitchcock to provide Executive Officer and Supervision of Consultants services to 31 December 2023. The Gawler River Flood Management Authority (GRFMA) under mutual agreement with David Hitchcock has agreed to void the current GRFMA Executive Officer Service Agreement (Contract: 1/22) at the end of the day on the 30 June 2023.

On 28/06/2023 the GRFMA engaged LUVROK Pty Ltd to undertake Executive Officer Services, in accordance with the agreed contract for service, for the term 1 July 2023 to 31 December 2025. Mr David Hitchcock is identified as the key person providing the services pursuant to agreed terms.

External Auditor

Dean Newbery and Partners have been appointed as the external auditor for 2020-2024. The Board has discretion to extend the term of appointment should it so determine.

GRFMA Policies

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

- Procurement Policy
- Grant Policy
- Fraud, Corruption and Maladministration Prevention Policy
- Internal Review of Decisions Policy
- Code of Practice Meeting Procedures
- Anti – Discrimination Fair Treatment Policy
- Consultation Policy
- Work Health and Safety Policy
- Access to Meetings and Documents Policy
- Dam Valuation Policy
- Treasury Management Policy
- Freedom of Information Statement

The purpose of policies is to provide prudent management guidelines for the day-to-day management of the affairs of the Authority.

Meetings

All meetings of the GRFMA and its committees are open to the public, except for those matters to be considered under Section 90 of the Local Government Act 1999.

No Freedom of Information requests were received during the year.

Forum	Total Resolutions for the year	Resolutions to exclude the Public – S90(3)	Purpose	Order for docs to remain confidential - S91(7)	%
Board	62	5		5	8
Technical Assessment Panel	0	0		0	0
Audit Committee	24	1		1	4

Key Strategic initiatives 2023

Strategic Plan

As a requirement of Charter Review the GRFMA has now established the inaugural Strategic Plan 2021-2026. The plan consists of a 5-year Strategic Plan (2026) and identifies relevant longer term strategic issues to 2036. The plan has established 3 key themes:

- Theme 1: Design, build, and maintain physical flood mitigation infrastructure
Objective: To have in place an agreed extent of physical flood mitigation infrastructure that is fit for purpose and achieves the targeted levels of performance.
- Theme 2: Develop and evolve key relationships
Objective: To maintain key relationships that are most important to the Authority achieving its purpose.
- Theme 3: Ensure good governance and ongoing financial sustainability
Objective: To ensure that the Authority meets legislative requirements and contemporary standards of governance and is financially sustainable for the long term.

Progressing the Gawler River Stormwater Management Plan

Stormwater management plans are strategic plans which should provide for the management of stormwater in an integrated and holistic way. They:

- Identify issues, risks and opportunities relating to stormwater management in a catchment.
- Outline the functions and responsibilities of all stakeholders involved in stormwater management, including Local Government authorities and State Government agencies.
- Set objectives for the protection and enhancement of the economic, environmental, social and cultural values in a catchment (as they relate to stormwater quality, water security and flood hazard).
- Identify and prioritise investments and initiatives that contribute to achievement of these objectives and address stormwater issues in a considered and coordinated manner.
- Outline a plan for implementation of the prioritised investments and initiatives.

Development of the plan stalled during 2022. Following representation from the GRFMA to the principal consultancy further work was able to be undertaken in late 2022. A draft copy of the State of the Catchment Report and Storm Water Management Plan was received late December 2022. Work is continuing to facilitate completion of the plan in conjunction with the Stormwater Management Authority.

Gawler River Flood Management business case development

Gawler River Flood Management was prioritised for business case development in the Infrastructure SA Capital Intentions Statement 2021. Through the collaborative State-Local Government Steering Committee established to oversee Gawler River Flood Management projects, a commitment has been made to progressing Gawler River Flood Management through the Infrastructure SA Assurance Framework (ISAAF) to develop a business case.

The Department for Environment and Water (DEW) is the sponsor agency for the Gawler River Flood Management Business Case.

The GRFMA and Constituent Councils are working collaboratively with and providing funds to DEW to complete the Business Case by 31 December 2023.

Bruce Eastick North Para Flood Mitigation Dam (BENPFM) Maintenance.

The BENPFM dam was designed as a dry detention basin to provide attenuation during flooding events. The dam attenuates high rainfall flows from the North Para by temporarily storing floodwater and then managing flow volume (downstream) through the dam.

Periodic inspections have been undertaken to ensure the dam is maintained in good condition and continues to operate at required services standards.

A scheduled and costed maintenance program (10 year plan) will be initiated from 1 July 2023.

Evaluation of Performance Against the Business Plan

Part A: Funding

Performance Targets:	Timings:	To be measured By:	Actual Achievements
Grant Claims	At all times	Lodge claims monthly for the payment of Commonwealth and State Government Grants.	<input checked="" type="checkbox"/> Claims lodged according to grant conditions
Maintain positive Cash Flow	At all times	Positive bank account balances at all times.	<input checked="" type="checkbox"/> Positive cash flow maintained

Part B: Proposed Flood Mitigation Scheme Works

Gawler River Flood Mitigation Scheme	
One	What will the Mark Two Scheme Include? (Note these steps may occur concurrently and not necessarily in the following order)
Two	Reconfirm with the Constituent Councils that a 1 in 100-year level of protection is the protection standard that is to be pursued in the development of the Gawler River Flood Mitigation Scheme - Mark Two Strategy. N.B. The protection standard does not guarantee full protection for all flood events. <i>The Findings Report 2016 advised the 1 in 100 ARI event is the minimum desirable level of flood protection for new development as well as for much of the existing floodplain development. GRFMA Strategic Plan Priority action 1.2 - Review, with Constituent Councils and stakeholders, design standards for infrastructure works including costs and benefits. The Findings Report 2016 advised enlarging the existing Bruce Eastick North Para Flood Mitigation Dam on the North Para offers the greatest level of protection with least impacts and is rated as the most favoured structural mitigation option. This option deferred pending completion of the Gawler River Storm Water Management Plan 2023 and the current process of the Gawler River Flood Mitigation Business Case (DEW). Noting feasibility of raising the height of the Bruce Eastick Dam is still a strategic consideration. GRFMA Strategic Plan Priority action 1.4 – In conjunction with the Constituent Councils, develop and implement a schedule of flood mitigation infrastructure works for the Gawler River referencing the Gawler River Stormwater Management Plan.</i>

Three	The Gawler River Floodplain Mapping Model should be maintained as the reference tool to demonstrate the level of flood protection and validity of design of land proposed for development as part of the approval process. To achieve this, the model should be upgraded to include recent works such as the Northern Expressway works, and the additional floodplain mapping completed as part of the Light River Templers Creek Salt Creek Mapping Study by the Adelaide Plains Council. Completed.
Four	To further develop the preliminary assessment of possible local area levees prepared in the 2008 Gawler River Floodplain Mapping Study at Gawler, Angle Vale and Two Wells and develop a levee strategy for Virginia to a robust design standard with a staging plan. Undertake a cost benefit study for each stage of the plan. Will be a consideration of the Gawler River Stormwater Management Plan 2023.
Five	Establish a protocol with the Floodplain Councils that where development of land in areas identified as 'at risk of flooding' is planned to proceed by the implementation of a local area levee that mapping of the proposed levees on the Gawler River Floodplain Mapping Study Model will be required. GRFMA Strategic Plan Priority action 1.4 – In conjunction with the Constituent Councils, develop and implement a schedule of flood mitigation infrastructure works for the Gawler River referencing the Gawler River Stormwater Management Plan.
Six	Maintain a working relationship with the Australian Rail Track Corporation to ensure that any changes to Railtrack infrastructure of culverts and rail heights are mapped on the Gawler River Floodplain Mapping Study Model to identify any changes to flooding impacts. Ongoing - new replacement of the rail bridge completed April 2021.
Seven	Develop a funding strategy for flood protection that is delivered by local area levees on the questions of who should own and maintain the levees and whether local area levees are regional works that the GRFMA should fund or are they local works that are the responsibility of the local Council. Will be a consideration of the Gawler River Stormwater Management Plan 2023 and the Gawler River Flood Mitigation Business Case (DEW).
Eight	Investigate opportunities for funding partners and grants to undertake the necessary assessments and designs. Ongoing. GRFMA is currently working with Department of Environment and Water on the \$9 Mil Gawler River Flood Mitigation projects 3 and 4 and the Gawler River Flood Mitigation Business Case (DEW). GRFMA Strategic Plan Priority action 2.4 – Proactively pursue governance structures and/or management approaches that bring together the various government agencies involved in water management related to the Gawler River to ensure coordinated action is taken to reduce flood risk, while contributing to greater integration of water management.

Nine The Scheme will also seek to clarify, through the Local Government Association, the policy and legal framework around maintenance of rivers and creeks where those rivers and creeks are part of the regional flood management plan. Under current legislation a landowner is responsible for the condition of a creek or waterway on private land. ***Pending finalisation of the review by Department Environment and Water. GRFMA submission provided.***

Part B: Maintenance of the Scheme

Performance Targets:	Timings:	To be measured by:	Actual Achievements
Six monthly inspection	June and December	Completion of Inspection Report	<input checked="" type="checkbox"/> Routine inspections completed

Part C: Operation of the Regional Subsidiary

Performance Targets:	Timings:	To be measured by:	Actual Achievements
Reports to Stakeholders	Bi-Monthly	Key Outcomes Summary to be published following each Board Meeting	<input checked="" type="checkbox"/> Key Outcomes Summary prepared following GRFMA meetings
Maintain effective Regional Subsidiary	December	The performance of the Executive Officer be reviewed annually. Charter Review	<input checked="" type="checkbox"/> Review conducted in December 2022 <input checked="" type="checkbox"/> Charter Review 2 Funding Model adopted April 2023 <input checked="" type="checkbox"/> Charter Review 2 completed April 2023
	August	The appointment of Auditor, Bank Operators, levels of insurance, appropriate registrations, delegations, and policies be reviewed annually.	<input checked="" type="checkbox"/> New External Auditor 2019-2024 appointed June 2019 <input checked="" type="checkbox"/> Appropriate levels of insurance reviewed in July 2022

Performance Targets:	Timings:	To be measured by:	Actual Achievements
Review of the Business Plan	By 31 st March	Review the Business Plan prior to preparing the Budget. Forward to the Councils	<input checked="" type="checkbox"/> June 2022 - Business Plan 2022- 2023 adopted <input checked="" type="checkbox"/> June 2023 - Achievements against the Business Plan 2022-2023 presented
Annual Budget	By 31 st March, June, October, December	Adopt for consultation forward to Councils- Adopt Budget – copy to Councils in 5 days- Conduct Budget Reviews	<input checked="" type="checkbox"/> 2023-2024 Draft Budget forwarded in March 2023 to Consistent Councils for consultation <input checked="" type="checkbox"/> Budget Reviews 1, 2 and 3 reviewed by GRFMA Audit Committee
Subscriptions	June December	Send half year subscriptions to Council.	<input checked="" type="checkbox"/> All first half subscriptions paid <input checked="" type="checkbox"/> All Second half subscriptions paid
Report to Constituent Councils	Following each Board meeting By 30 th September	The receipt of the following reports by Councils, Board Meeting Key Outcome Summary Annual Report including Annual Financial Statements	<input checked="" type="checkbox"/> Key Outcomes Summary prepared for meetings <input checked="" type="checkbox"/> Annual Report forwarded electronically to Councils
Governance	Ongoing	Policies and new management framework documents developed and reviewed	<input checked="" type="checkbox"/> Independent review of GRFMA policies completed April 2023 <input checked="" type="checkbox"/> Management Framework documents now adopted GRFMA Strategic Plan Asset Management Plan and Long Term Financial Plans <input checked="" type="checkbox"/> Charter Review 2 Funding Model adopted April 2023 <input checked="" type="checkbox"/> Charter Review 2 completed April 2023

Performance Targets:	Timings:	To be measured by:	Actual Achievements
Annual Operations		<p>Implementation of requirements of the BENPFM Dam Operation and Maintenance Manual.</p> <p>Periodical inspections of BENPFM dam and lands</p> <p>Removal of deposited flood debris at upstream wall of BENPFM Dam</p> <p>Continuation of the revegetation program around land associated with the BENPFM Dam.</p> <p>Weed control</p>	<p><input checked="" type="checkbox"/> Ongoing - Programmed management costed and funded in 2023/2024 draft Budget</p> <p><input checked="" type="checkbox"/> Ongoing</p> <p><input checked="" type="checkbox"/> As required</p> <p><input checked="" type="checkbox"/> Ongoing, within budgeted funds, in collaboration with Light Regional Council</p> <p><input checked="" type="checkbox"/> Annually as required.</p> <p><input checked="" type="checkbox"/> Annual land management lease in place</p>

Financial Statements 2022-23

1. Certification of Financial Statements
2. Financial Statements and Notes
3. Related Parties Disclosures

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2023
CERTIFICATION OF FINANCIAL STATEMENTS

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

In our opinion:

- 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 2023 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.



David Hitchcock

EXECUTIVE OFFICER

17/8/2023



Ian Baldwin

CHAIRPERSON

17/8/2023

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
INCOME			
Subscriptions	4	260,321	261,256
Investment income		1,278	1,132
State Government Grants	3	-	70,518
Other Income		100	100
Total Income		261,699	333,006
EXPENSES			
Contractual Services	5	249,296	236,420
Finance Charges		18,926	3,275
Depreciation	1(h), 9	328,561	322,298
Other		42,654	21,831
Total Expenses		639,436	583,824
OPERATING SURPLUS / (DEFICIT)		(377,737)	(250,818)
NET SURPLUS / (DEFICIT)		(377,737)	(250,818)
transferred to Equity Statement			
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Impairment (expense) / recoupments offset to asset revaluation reserve	1(m), 9	(17,000)	-
Total Other Comprehensive Income		(17,000)	-
TOTAL COMPREHENSIVE INCOME		(394,737)	(250,818)

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

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

STATEMENT OF FINANCIAL POSITION

as at 30 June 2023

	Notes	2023 \$	2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents	1(d)	29,496	126,130
Trade and Other Receivables		<u>91,125</u>	<u>98,664</u>
Total Current Assets		<u>120,621</u>	<u>224,794</u>
Non-current Assets			
Infrastructure	9	25,920,879	25,920,879
Accumulated Depreciation Infrastructure	1(h), 9	(4,767,184)	(4,438,623)
Land	9	<u>460,000</u>	<u>477,000</u>
Total Non-current Assets		<u>21,613,696</u>	<u>21,959,256</u>
Total Assets		<u>21,734,317</u>	<u>22,184,050</u>
LIABILITIES			
Current Liabilities			
Trade & other payables		67,733	61,003
Borrowings	1(k)	<u>440,409</u>	<u>502,136</u>
Total Liabilities		<u>508,142</u>	<u>563,138</u>
NET ASSETS		<u>21,226,175</u>	<u>21,620,912</u>
EQUITY			
Accumulated Surplus		12,561,202	12,938,939
Asset Revaluation Reserves	1(g)	<u>8,664,973</u>	<u>8,681,973</u>
TOTAL EQUITY		<u>21,226,175</u>	<u>21,620,912</u>

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

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2023

2023	Notes	Accumulated Surplus \$	Asset Revaluation Reserve \$	TOTAL EQUITY \$
Balance at end of previous reporting period		12,938,939	8,681,973	21,620,912
Restated opening balance		12,938,939	8,681,973	21,620,912
Net Surplus / (Deficit) for Year		(377,737)	-	(377,737)
Other Comprehensive Income				
Impairment (expense) / recoupments offset to asset revaluation reserve	1(m), 9		(17,000)	(17,000)
Balance at end of period		12,561,202	8,664,973	21,226,175
2022				
Balance at end of previous reporting period		13,189,757	8,681,973	21,871,730
Restated opening balance		13,189,757	8,681,973	21,871,730
Net Surplus / (Deficit) for Year		(250,818)	-	(250,818)
Other Comprehensive Income				
Gain on revaluation of infrastructure, property, plant & equipment		-	-	-
Balance at end of period		12,938,939	8,681,973	21,620,912

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

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

STATEMENT OF CASHFLOWS
for the year ended 30 June 2023

		2023	2022
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		267,915	282,547
Interest Receipts		1,323	1,073
Payments		(290,843)	(237,090)
Interest Expense		(13,301)	-
Net Cash provided by (or used in) Operating Activities	8	(34,907)	46,530
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Payments</u>			
Expenditure on renewal/replacement of assets		-	(591,879)
Net Cash provided by (or used in) Investing Activities		-	(591,879)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from borrowings		-	502,136
<u>Payments</u>			
Repayments of borrowings		(61,726)	-
Net Cash provided by (or used in) Financing Activities		(61,726)	502,136
Net Increase (Decrease) in cash held		(96,633)	(43,214)
Cash & cash equivalents at beginning of period		126,130	169,344
Cash & cash equivalents at end of period	8	29,496	126,130

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

**Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023**

Note 1 - Statement of Significant Accounting Policies

a) The Local Government Reporting Entity

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

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

b) Basis of Accounting

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

c) Employees

The Authority has no employees.

d) Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis, net of outstanding bank overdraft.

e) Infrastructure

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

f) Land

Land includes the land on which the dam is constructed, rights of way access to the land and 'right to flood' easements over the land upstream from the dam that will be inundated by dam waters for short periods of time during a flood event. Additional Land surrounding the dam was purchased in 2017/18 and was revalued by Town and Country Valuers, Property and Management Consultants as at 30 June 2023 for part lot 750 Kemp Road Kingsford.

g) Revaluation

The Board sought an independent valuation to be applied as at 30th June 2019, of the Bruce Eastick North Para Flood Mitigation Dam. The Board recognises that the dam is a unique infrastructure. The Board sought the advice of Entura (Hydro Tasmania), who provided a replacement cost valuation based on the actual construction contract costs, including some 'owner's costs' which would be incurred in the event of a replacement being necessary. In accordance with Accounting Standard (AASB)13 Fair Value Measurement, the valuation was undertaken as at 30 June 2019 and recorded as a level 3 restricted asset valuation. The next Valuation is scheduled to be undertaken in 2023/2024.

**Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023**

Fair value level 3 valuations of buildings, infrastructure and other assets – There is no known market for these assets and they are valued at depreciated current replacement cost. The 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 the Authority.

The 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.

h) Depreciation

The depreciation period for the Bruce Eastick North Para Flood Mitigation Dam is based on a straight line depreciation method with an expected useful life of 80 years.

The depreciation period for the Access Road is based on a straight line depreciation method with an expected useful life of 15 years.

i) Revenue

The Authority recognises revenue under AASB 1058 Income of Not-for-Profit Entities (AASB 1058) or AASB 15 Revenue from Contracts with Customers (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the authority to acquire or construct a recognisable non-financial asset that is to be controlled by the authority. In this case, the authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

Revenue from the Subscriptions is recognised upon the delivery of the service to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue is stated net of the amount of goods and services tax (GST).

j) Superannuation

The Authority contributed the statutory 10.5% SCG to the nominated superannuation fund of the Executive Officer.

**Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023**

k) 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 rate 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"

l) Economic Dependence

The Gawler River Floodplain Management Authority (GRFMA) was formed as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999 in August 2002, by a Charter that was amended and published in The South Australian Government Gazette on 27th February 2020 at page 474.

The Gawler River Floodplain Management Authority (GRFMA) is dependent upon subscriptions levied on the Constituent Councils in accordance with Clause 10.2 of the Charter to fund the construction, operation and maintenance of flood mitigation infrastructure of the Authority which it owns and manages.

m) Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

Other 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).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

The impairment has occurred due to the revaluation of Land in 2023.

**Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023**

Note 2 - Schedule of Constituent Council's Interest in Net Assets as at 30th June 2023

Prepared to meet the requirements of Clause 15.5 of the Charter

"The 'Schedule of Constituent Councils' Interests in Net Assets' will reflect the proportionate contribution each Constituent Council has made to the growth of the net assets of the Authority having regard to the proportionate contribution to subscriptions. The Schedule when updated by the Board at the end of each financial year will reflect the proportionate contribution of each Constituent Council since the commencement of the Authority and once accepted by each Constituent Council will be evidence of the agreed proportion of a Constituent Council's interests in the net assets as at 30 June in that year."

For the purposes of this Clause all subscriptions by Constituent Councils have been included.

Calculation of Net Equity

Assets

Investments / Debtors	\$ 120,621
Infrastructure	\$ 21,153,695
Land	<u>\$ 460,000</u>
	\$ 22,734,317

Less Liabilities

Accounts Payable / Creditors	\$ 67,732
Borrowings	<u>\$ 440,409</u>
NET EQUITY	\$ 21,226,175

Allocation of Councils Interest in Net Assets

Constituent Councils	Accumulated Subscriptions for Operations to 30 June 2023 \$	Accumulated Subscriptions for Maintenance to 30 June 2023 \$	Accumulated Subscriptions for Scheme Works to 30 June 2023 \$	All Subscriptions to 30 June 2022 \$	Percentage of Contributions to the Total	Council's Interests in Net Assets \$
Adelaide Hills Council	228,944	6,352	74,109	309,405	5.14%	1,091,717
The Barossa Council	228,944	31,813	371,133	631,890	10.50%	2,229,587
Town of Gawler	228,944	63,586	741,174	1,033,704	17.18%	3,647,364
Light Regional Council	228,944	31,813	371,133	631,890	10.50%	2,229,587
Adelaide Plains Council	228,944	106,079	1,235,283	1,570,306	26.10%	5,540,733
City of Playford	228,944	127,254	1,482,344	1,838,542	30.58%	6,487,187
	1,373,664	366,897	4,275,176	6,015,737	100%	21,226,175

Schedule of Constituent Councils' Interests in Net Assets' as at the 30th June 2023 adopted by the Board in accordance with Clause 15.5 of the Charter on 17 August 2023.

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - Functions / Activities of the Authority

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

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

Administration: The operations of the Authority and its Board

Other Environment: Flood Mitigation

c) Functions of the Gawler River Floodplain Management Authority
(excluding depreciation and impairment)

	Year	Revenue		Total Revenue	Expenses		Surplus (deficit)
		Grants \$	Other \$		Expenses Total		
Administration	2023	-	166,498	\$166,498	\$157,078	\$ 9,420	
	2022	-	177,284	\$177,284	\$88,260	\$89,024	
Other Environment:	2023	-	95,201	\$ 95,201	\$153,798	(\$58,596)	
Flood Mitigation	2022	70,518	85,204	155,722	\$173,267	(\$17,545)	
	2023	-	261,699	261,699	\$310,876	(\$49,177)	
Total	2022	70,518	262,488	333,006	\$261,527	\$71,479	

Note 4 - Subscriptions

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

Constituent Council	Maintenance		Operations		TOTALS	
	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$
Adelaide Hills Council	1,647	1,474	27,520	29,342	29,167	30,816
The Barossa Council	8,254	7,388	27,520	29,342	35,774	36,730
Town of Gawler	16,508	14,774	27,520	29,342	44,028	44,116
Light Regional Council	8,254	7,388	27,520	29,342	35,774	36,730
Adelaide Plains Council	27,513	24,624	27,520	29,342	55,033	53,966
City of Playford	33,025	29,556	27,520	29,342	60,545	58,898
TOTAL	95,201	85,204	165,120	176,052	260,321	261,256

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 5- Contractual Services

	2023 \$	2022 \$
Chairperson Honorarium	12,100	8,100
Executive Officer	103,214	56,826
Audit Committee	2,600	2,600
Audit Fees	5,346	5,188
Legal Fees	6,069	2,000
Consultancies	116,750	151,857
Maintenance Contractors	0	9,849
Asset Valuations	3,217	0
Totals	249,296	236,420

Note 6 - Comparison of Budget and Actual Results (excluding depreciation)

	2023		2022	
	Budget \$	Actual \$	Budget \$	Actual \$
Revenue				
Administration	166,430	166,498	176,652	177,284
Other Environment: Flood Mitigation	95,200	95,201	85,200	85,204
State Grant	0	0	70,518	70,518
Total Revenue	261,630	261,699	332,370	333,006
Expenditure				
Administration	153,620	157,079	94,152	88,260
Other Environment: Flood Mitigation	14,700	6,021	15,200	10,035
Maintenance	198,000	147,775	168,995	163,232
Other Environment: Flood Mitigation Capital	0	0	635,000	591,879
Total Expenditure	366,320	310,875	913,347	853,406
Surplus (deficit)	(104,690)	(49,176)	(580,977)	(520,400)

Note 7 - Expenditure Commitment

An agreement had been entered into with David Hitchcock to provide Executive Officer and Supervision of Consultants services to 31 December 2023. The Gawler River Flood Management Authority (GRFMA) under mutual agreement with David Hitchcock has agreed to void the current GRFMA Executive Officer Service Agreement (Contract: 1/22) at the end of the day on the 30 June 2023. On 28/06/2023 the GRFMA engaged LUVROK Pty Ltd to undertake Executive Officer Services, in accordance with the agreed contract for service, for the term 1 July 2023 to 31 December 2025.

Mr David Hitchcock is identified as the key person providing the services pursuant to agreed terms.

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 8 - Reconciliation Statement of Cash Flows

(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:

	2023	2022
	\$	\$
Total cash & equivalent assets	<u>29,496</u>	<u>126,130</u>
Balances per Cash Flow Statement	<u>29,496</u>	<u>126,130</u>

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

Net Surplus (Deficit)	(377,737)	(250,818)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	<u>328,561</u>	<u>322,298</u>
	(49,176)	71,480
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	7,539	(49,386)
Net increase (decrease) in trade & other payables	<u>6,729</u>	<u>24,436</u>
Net Cash provided by (or used in) operations	<u>(34,908)</u>	<u>46,530</u>

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - Non-Current Assets Summary

	2023				2022				
	Fair Value Level	At Fair Value \$	At Cost \$	Accum Dep'n \$	Carrying Amount \$	At Fair Value \$	At Cost \$	Accum Dep'n \$	Carrying Amount \$
Land and easements	-	460,000	-	-	460,000	477,000	-	-	477,000
North Para Dam	3	84,000	-	(25,400)	58,600	84,000	-	(19,800)	64,200
Access Roads	3	25,245,000	591,879	(4,741,784)	21,095,095	25,245,000	591,879	(4,418,823)	21,418,056
Total Infrastructure and Land		25,789,000	591,879	(4,767,184)	21,613,695	25,806,000	591,879	(4,438,623)	21,959,256
Comparatives		25,806,000	591,879	(4,438,623)	21,959,256	25,806,000	-	(4,116,325)	21,169,675

	2022		Carrying Amount Movements During the Year						2023	
	Carrying Amount \$	477,000	Disposals \$	Depreciation \$	Impairment \$	Transfers \$	Net Valuation \$	Carrying Amount \$	460,000	
										New Upgrade \$
Land and easements		477,000	-	-	(17,000)	-	-	-	460,000	
Access Roads		64,200	-	(5,600)	-	-	-	-	58,600	
Infrastructure - North Para Dam		21,418,056	-	(322,961)	-	-	-	-	21,095,095	
Total Infrastructure, Property, Plant & Equipment		21,959,256	-	(328,561)	(17,000)	-	-	-	21,613,695	
Comparatives		21,169,675	-	(322,298)	-	-	-	-	21,959,256	

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 10 - Financial Instruments

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 1.05% and 4.30% (2022: 0.20% and 1.05%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Fees & other charges	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although the authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authorities boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities – Interest Bearing Borrowings	<p>Accounting Policy: initially recognised at fair value and subsequently amortised cost, interest is charged as an expense using the effective interest rate.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable; interest is charged at fixed or variable rates between 2.8% and 6.05% (2022: 2.80%).</p> <p>Carrying amount: approximates fair value.</p>

Liquidity Analysis

2023	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	29,496	-	-	29,496	29,496
Receivables	91,125	-	-	91,125	91,125
Total	120,621	-	-	120,621	120,621
Financial Liabilities					
Payables	67,733	-	-	67,733	67,733
Borrowings	96,645	344,229	97,113	537,987	440,409
Total	164,377	344,229	97,113	605,719	508,142

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

2022	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	126,130	-	-	126,130	126,130
Receivables	98,664	-	-	98,664	98,664
Total	224,794	-	-	224,794	224,794
Financial Liabilities					
Payables	59,003	-	-	59,003	59,003
Borrowings	70,000	287,788	305,058	662,846	502,136
Total	129,003	287,788	305,058	721,849	561,139

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

	2023	2022		
	Weighted Av Interest Rate	Carrying Value \$	Weighted Av Interest Rate	Carrying Value \$
Variable Interest Rates	6.05%	440,409	2.8%	502,136
		440,409		502,136

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 impairment. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Exposure in relation to individual classes of receivables is concentrated within the Authorities 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 Authority 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.

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.

**Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023**

Note 11 Uniform Presentation of Financial Statements

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 Local Government Councils and Authorities 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 Authorities finances.

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY			
UNIFORM PRESENTATION OF FINANCIAL STATEMENTS			
for the year ended 30 June 2023			
	2023		2022
	\$		\$
Income	261,699		333,006
Expenses	<u>(639,436)</u>		<u>(583,824)</u>
Operating Surplus / (Deficit)	(377,737)		(250,818)
Less Net Outlays in Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets	-	(591,879)	
Add back Depreciation Amortisation and Impairment	328,561	322,298	
Proceeds from Sale of Replaced Assets	-	-	
	<u>328,561</u>	<u>(269,581)</u>	
Less Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets	-	-	
Amounts received specifically for New and Upgraded Assets	-	-	
Proceeds from Sale of Surplus Assets	-	-	
	-	-	
Net Lending / (Borrowing) for Financial Year	(49,176)		(520,399)

Note 12 – Contingencies & Assets & Liabilities not recognised in the Balance Sheet

There are no contingencies, asset or liabilities not recognised in the financial statements for the year ended 30 June 2023

**Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023**

Note 13 - Events Occurring After Reporting Date

There were no events subsequent to 30 June 2023 that need to be disclosed in the financial statements.

Note 14 - Related Parties Disclosures

Key Management Personnel

The Key Management Personnel of the Gawler River Floodplain Management Authority (GRFMA) include the Chairman, Board Members, Deputy Board Members and Executive Officer. In all Key Management Personnel were paid the following total compensation:

	2023 \$	2022 \$
Salaries, allowances & Other Short Term Benefits		
Executive Officer	103,214	56,826
Chairperson	12,100	8,300
TOTAL	115,314	65,126

	Amounts received from Related Party during the financial year 2023 \$	Amounts received from Related Party during the financial year 2022 \$
Adelaide Hills Council	16,042	32,076
The Barossa Council	39,351	36,730
Town of Gawler	24,215	44,116
Light Regional Council	39,351	36,730
Adelaide Plains Council	60,536	53,966
City of Playford	66,600	58,898
TOTAL	246,095	262,516

The Authority has been established for the following purposes:

1. To co-ordinate the construction, operation and maintenance of flood mitigation infrastructure for the Gawler River. This purpose is the core business of the Authority;
2. To raise finance for the purpose of developing, managing and operating and maintaining works approved by the board;
3. To provide a forum for the discussion and consideration of topics relating to the Constituent Council's obligations and responsibilities in relation to management of flood mitigation for the Gawler River;
4. Upon application of one or more Constituent Councils pursuant to clause 12.4:
 1. to coordinate the construction, maintenance and promotion and enhancement of the Gawler River and areas adjacent to the Gawler River as recreational open space for the adjacent communities; and
 2. to enter into agreements with one or more of the Constituent Councils for the purpose of managing and developing the Gawler River.



Southern and Hills
Local Government
Association
Annual Report
2022/23



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Southern and Hills Local Government Association – Snapshot

6
Councils

SIZE
8,656
Square Kilometres

\$5.36b
GROSS REGIONAL PRODUCT

63,519
EMPLOYED RESIDENTS

5,539
KILOMETERS OF LOCAL ROADS

132,206
REGIONS POPULATION

TOURISM
Destination

Councils Total Revenue
\$192 MILLION

OCEAN COASTLINE OF
652
Kilometres

Largest Industry Employment
Health Care and Social Assistance



About the Southern & Hills Local Government Association region

The Southern & Hills Local Government Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Consisting of six (6) local government Councils:

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

Collectively these six (6) Councils have:

- ☑ More than 131,000 people as of 30th June 2022.
- ☑ 5,539 kilometres of local roads
- ☑ Area consists of 8,656 square kilometres.
- ☑ An ocean coastline of 652 Km.
- ☑ The River Murray and lakes form the southeast boundary of the region.
- ☑ The region has extreme diversity from the foothill suburbs of Adelaide to the isolation of the inaccessible west coast of Flinders Chase National Park.
- ☑ Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry, fishing and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- ☑ The region contributed nearly \$6 billion in gross value to the State economy
- ☑ Much of the area has, (by South Australian standards) a high rainfall.
- ☑ A large part of the area is within the 30 Year Plan for Greater Adelaide.
- ☑ Significant growth pockets both in population and development, placing demands on infrastructure and the natural environment.
- ☑ Projected change in the population to 2026 by approximately 25%.
- ☑ Within the region, Victor Harbor and Goolwa are key retirement destinations.
- ☑ Within the region, The Adelaide Hills, The Fleurieu and Kangaroo Island are all major tourism destinations.
- ☑ Kangaroo Island is a major component of the Australian and SA tourism plan with tourist numbers targeted to double over the next decade.

President's Report

It has been my pleasure to serve as S&HLGA president during 2023 as we have emerged from Covid and the 2022 Local Government elections.

This has been a year of consolidation and continuing the positive work of our key programs concerned with Transport, Public Health and Community Wellbeing and Climate Change impacts in our region. These programs and activities are all designed to drive and improve the wellbeing of our communities.

We have commenced collecting and analysing data and evidence to populate the Community Wellbeing Indicators. We are doing the same for our Climate Change impacts and tracking how we are doing against the model projections of our Regional Climate Adaptation Plan. We will persist with this exercise for some time.

I draw your attention to our key project during 2023 which was the Commonwealth funded (via the Preparing Australian Communities) "Bushfire and Biodiversity – Building balanced long term regional resilience". This project identified and showcased projects and case studies to map effective strategies and pathways to improve both bushfire resilience and biodiversity management for landholders and landscapes in our region.

The S&HLGA Board commissioned Jeff Tate Consulting to undertake a strategic review of the 2021-2025 Business Plan and the organisation. The Board is digesting the recommendations from this review and will seek to adopt and implement them during the following year.

We have continued to cement our many very valuable regional stakeholder and partner relationships, as well as maintaining and reviewing key performance and governance documents such as the Annual Key Action Plan and Annual Budget.

I also take this opportunity to thank outgoing President Mayor Keith Parkes for his leadership over the past years.

Thank you to our Executive Officer, Graeme Martin for his co-ordination and management and drive in supporting the body. He has been ably supported during 2022-2023 by Jen St Jack and Olivia Davies as co-ordinators of the Regional Climate Adaption Plan and associated projects.

In closing, I acknowledge and thank all the member councils for their support during the year and acknowledge the ongoing contribution of member Mayors and CEOs and nominated representatives to the S&HLGA Board.

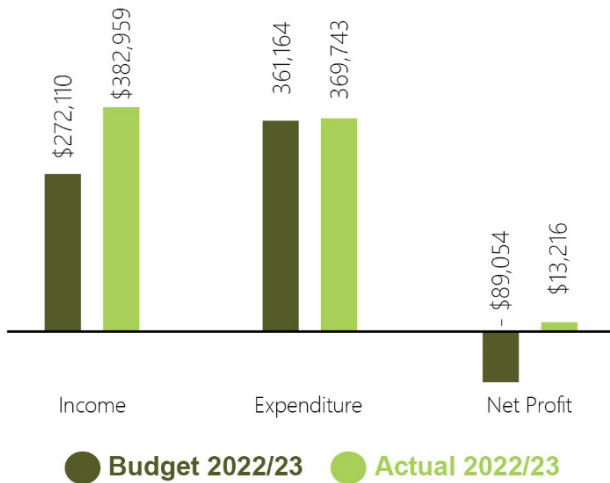
**Mayor Moira Jenkins
President**



2022/23 Dashboard

Financial Performance:

2022/23 Budget vs Actual



2022/23 Key Project:



Bushfire and Biodiversity – Building balanced long term regional resilience

The Commonwealth’s Preparing Australian Communities Program funded the ‘Bushfire and Biodiversity - Building balanced long term regional resilience’ program.

This program identified and showcased projects and case studies to map effective strategies and pathways to improve both bushfire resilience and biodiversity management for landholders and landscapes within our region.

Key Program Achievements:



Transport

- \$2.2 million funding for roads through the Special Local Roads Program
- Migration to QGIS digital mapping



Public Health

- Endorsed the new Southern and Hills LGA 2022-2027 Regional Public Health and Wellbeing Plan
- Collecting data and evidence for Community Wellbeing indicators



Climate Change Adaptation

- Collected and presented preliminary evidence of actual tracking vs model projections of Regional Climate Change impacts
- Continued implementing and monitoring the Regional Hills and Coasts 2020-2025 Regional Action Plan



Strategy and Governance

- Undertook a comprehensive strategic review of the Southern and Hills LGA (organisation) and our 2021-2025 Business Plan

ORGANISATION

S&HLGA Organisation and its Board structure,
members and office bearers

The Southern and Hills Local Government Association Board

July 2022

Council	Elected Member Representative	Council Staff Representative
Adelaide Hills	Mayor Jan – Claire Wisdom	CEO Andrew Aitken A/CEO David Waters (Nov 2022)
Alexandrina Council	Mayor Keith Parkes	CEO Nigel Morris
Kangaroo Island Council	Mayor Michael Pengilly	CEO Greg Georgopoulos
Mt Barker District Council	Mayor Ann Ferguson	CEO Andrew Stuart
City of Victor Harbor	Mayor Moira Jenkins	CEO Victoria MacKirdy
District Council of Yankalilla	Mayor Simon Rothwell Mayor Darryl Houston	CEO Nathan Cunningham

Council	Proxy Representative	Role
Adelaide Hills	Cr Kirsty Parkin Natalie Armstrong	Councillor
Alexandrina Council		
Kangaroo Island Council	Bob Teasdale	Deputy Mayor
Mt Barker District Council	Samantha Jones	Councillor
City of Victor Harbor	Cr David Kemp	Deputy Mayor
District Council of Yankalilla		Deputy Mayor

Office Bearers 2022 – 2023

President	Mayor Keith Parkes*, Alexandrina Mayor Moira Jenkins#, City of Victor Harbor * resigned February 2023, # appointed February 2023
Deputy President	Mayor Jan-Claire Wisdom, Adelaide Hills Council

Executive Officer	Mr Graeme Martin
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Auditor	Ms Itisha Anand, Luke Bollmeyer – Accru+ Harris Orchard
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Elected under the provisions of the Constitution of the Local Government Association:

Delegates to LGA Board	Mayor Keith Parkes (resigned Feb 2023) Mayor Moira Jenkins Mayor Jan – Claire Wisdom (via Metro/GAROC)
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Delegates to SAROC	Mayor Darryl Houston	District Council of Yankalilla
	Mayor Moira Jenkins	City of Victor Harbor

**Southern & Hills Local Government Association
Past Presidents and Secretaries / Executive Officers**

Years	President	Council	Secretary / EO
2022 - 2023	Mayor Moira Jenkins ^H	City of Victor Harbor	Graeme Martin
2021 - 2022	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2020 - 2021	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2019 – 2020	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2018 - 2019	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2017 – 2018	Mayor Keith Parkes ^g	Alexandrina Council	Graeme Martin
2016 - 2017	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2015 - 2016	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2014 - 2015	Mayor Bill Spragg ^f Mayor Ann Ferguson	Adelaide Hills Council DC Mount Barker	Graeme Martin
2013 - 2014	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2012 - 2013	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2011 - 2012	Mayor Ann Ferguson	DC Mount Barker	Fred Pedler ^d Graeme Martin ^e
2010 - 2011	Mayor Ann Ferguson ^c Mayor Brian Hurn OAM	DC Mount Barker The Barossa Council	Fred Pedler ^b
2009 - 2010	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2008 - 2009	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2007 - 2008	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2006 - 2007	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2005 - 2006	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2004 - 2005	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2003 - 2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2002 - 2003	Mayor John Crompton ^a	City of Victor Harbor	Fred Pedler ^b
2001 - 2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler ^b
1999 - 2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler ^b
1998 - 1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997 - 1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996 - 1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995 - 1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993 - 1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991 - 1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989 - 1990	Cr Val Bonython	DC East Torrens	Eric March
1987 - 1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985 - 1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984 - 1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982 - 1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980 - 1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976 - 1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		
30 th July 1969	First Constitution for S&HLGA Adopted		

^a Until 12th May 2003 ^b Executive Officer ^c From February 2011 ^d To December 2011 ^e From January 2012

^f From February 2015 ^g From December 2017 ^h From February 2023

REPORTING AND ACCOUNTABILITY

S&HLGA Reporting flow and performance monitoring

S&HLGA Administration - Flow



The Board

The Board held 6 ordinary bi-monthly meetings during the year. Board Members are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Board Members to gain firsthand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

Date	Host
26 August 2022	Mt Barker
21 October 2022	Yankalilla
9 December 2022	Alexandrina
24 February 2023	Kangaroo Island
28 April 2023	Adelaide Hills
23 June 2023	Alexandrina

Key Issues acted on by the Board included:

- o Updating and maintaining of the S&HLGA Website to the LGA Squiz platform
- o Finalising and implementing the new 2022-2027 S&HLGA Regional Public Health and Wellbeing Plan
- o Implementing and monitoring the S&HLGA Regional Climate Change Adaptation Plan and 2020-25 Regional Action Plan
- o Success with grant funding and commencing the “Bushfire & Biodiversity Project- Building balanced, long term regional resilience”.
- o Strategic review of S&HLGA organisation with a focus on a mid-term review of the organisation’s Business Plan 2021 – 2025.
- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to implement the 2019 Regional Public Transport study, develop the regional Infrastructure Priority Plan, and the South East Transport Corridor review
- o **The South Australian Regional Organisation of Councils (SAROC)** is a Committee of the LGA that focuses on key issues affecting country Councils. The S&HLGA continues to support the Governance process by attending the meetings, contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils.
- o Implementing the new 2030 Regional Transport Plan, Special Local Roads Program applications as well as the advocacy of the South Coast Freight Corridor and Public Transport in the region.
- o Having input into and supporting the LGA in developing and highlighting Local Government reform issues and advocacy with the State Government
- o 8 various speakers addressed meetings of the Board over the period 2022-2023.

The Board reviewed its achievements to date via the 2022-2023 Key Action Plan, tracked the Actual performance against Budget and developed a new Budget and Action Plan for 2023-2024.

In addition the Board conducted a Strategic Review of the organisation with a focus on its 2021-2025 Business Plan and preparing for its successor plan.

At the commencement of 2022-2023 the Board completed a review of its Annual Key Actions, the EO performance and its Annual Budget performance covering the previous period.

S&HLGA Value proposition

The S&HLGA provided a report back to its Council members on the estimated value of their membership. This is based on the same methodology utilised by the LGA in determining its membership value.

The value from membership in a regional organisation can be summarised in the following key categories; advocacy and representing the region, establishing and implementing high level regional partnerships and links, developing and strengthening regional capacity.

The Table 1 below summarises and compares the S&HLGA membership subscriptions and levies total with the value per S&HLGA member Councils as measured in the value proposition over the past years.

	2018	2019	2020	2021	2022
Av Council membership	\$12,529	\$12,279	\$13,536	\$15,202	\$21,570
Value per Council	\$427,871	\$430,953	\$401,809	\$390,087	\$403,357
Return on Investment	3,375%	3,385%	2,968%	2,466%	1,870%

Table 1

COMMITTEES, PROGRAMS AND PROJECTS

S&HLGA Committees, work groups and the programs
and projects undertaken during 2022-2023

Committees and Working/Task Groups

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

	Committee	S&HLGA Executive Officer Role	Meeting Frequency	Comment
1	Regional Public Health	Secretarial/Administration	Every 2 months	ongoing
2	Resilient Hills & Coast - Climate change Adaptation	Committee member	Every 2 months	ongoing
3	Regional Economic Development Officers	Committee member	Every 2 months	ongoing
4	Regional EO Management Group	Secretarial/Administration	Every 2 months	Precedes SAROC
5	S&HLGA Advisory Group	Secretarial/Administration	As necessary	Precedes S&HLGA Board
6	S&HLGA Roads Works Group	Secretarial/Administration	at least 3 times per annum	ongoing
7	S&HLGA CWMS User Group	Secretarial/Administration	As necessary	ongoing
8	SAROC	Advisor/Observer	Every 2 months	ongoing
9	SACCA	Observer	As necessary	ongoing



S&HLGA Roads Working Group

The Roads Working Party (RWP) has its membership drawn from directors /managers of technical services of Councils and as required regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure.

The RWP held meetings on:

Date	Host
20 September 2022	HDS (Aust) Pty Ltd offices
16 March 2023	On Line

Key achievements and outcomes:

- Co-ordinated the application process of Councils to the SLRP.
- Made recommendations for the SLRP 2023 – 2024 based on the new 2030 Transport Plan critical Roads database.
- Further input into the South Coast Freight Corridor concept and SE Freeway issues.
- QGIS software licence and Roads Hierarchy Mapping support finalised

The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2023 – 2024.

Project	Council	Total Project Cost for this stage	SLRP request	Council contribution	comment
Range Road	Yankalilla	\$1,200,000	\$800,000	\$400,000	Stage 1 of 1
Spring Road	Kangaroo Island	\$2,100,000	\$1,400,000	\$700,000	Stage 1 of 3
Total		\$3,300,000	\$2,200,000	\$1,100,000	



S&HLGA Regional Public Health Plan

S&HLGA Regional Public Health Committee (RPHC) has its membership drawn from Health, Environment and social planning officers of the member Councils

The S&HLGA RPHC held meetings on:

Date	Host
12 August 2022	On line
29 November 2022	On line
28 February 2023	On line
19 May 2023	Strathalbyn

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implement and monitor the Wellbeing in Our Community- Regional Public Health Plan
- Liaise with LGA officers responsible for Public Health Programs
- Liaise with SA Public Health Office
- Represent the region at Forums and workshops
- Liaise with Public Health Researchers
- Prepare funding submissions for regional Public Health projects

Key achievements and outcomes:

- The Ministerial endorsement and commencement of the new 2022-27 S&HLGA Regional Public Health and Wellbeing Plan.
- Commenced partnership with LGA to advance investigation into Hoarding and Squalor
- Commenced population of the regional Community Wellbeing Indicators dataset
- Partnered with LGA to modify Squiz web platform to incorporate inclusion communications



S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills and Coasts)

Resilient Hills and Coasts has its membership drawn from Environmental officers of the member Councils, RDA, Department of Water and Environment, Green Adelaide and Landscapes Board

The S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills & Coast) held meetings on:

Date	Host
11 August 2022	District Council of Yankalilla
14 October 2022	Kangaroo Island Landscape Board
8 December 2022	Mt Barker District Council
30 March 2023	Adelaide Hills, Stirling
1 June 2023	Mt Barker District Council

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implementation and Monitoring of the Regional Climate Change Adaptation Plan for S&HLGA:
- S&HLGA presentations as required
- Implement and monitor the 2020-2025 Regional Action Plan
- Represent the region at forums and workshops
- Liaise with various “Climate Change” State Government agencies and authorities

Key achievements and outcomes:

- Successful appointment of Nature Conservation Society of SA to undertake a federally funded regional and community Resilience study – Balancing Bushfire & Biodiversity
- Successful Council & partner funding for the continuance of the Resilient Hill & Coasts project co-ordinator
- Collected and presented preliminary evidence of actual tracking v model projections of Regional Climate Change impacts
- Approved migration to stand alone Resilient Hills and Coasts website
- Rolled out a series of outreach sustainable homes webinar series



Regional Economic Development Network Committee

The S&HLGA has strongly supported the activities and research of the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and worked closely with RDA officers to partner with the organisation in the general Economic Development of the region.

This Committee has been formed with the Economic Development Officers from the S&HLGA Member Councils under the guidance of the RDA.

The RDA Economic Development Network Committee held meetings on:

Date	Host
8 August 2022	Mount Compass
7 November 2022	Langhorne Creek
13 February 2023	City of Victor Harbor
8 May 2023	Adelaide Hills Council, Stirling

Primary tasks and focus for this committee:

- To share information, achieve procurement and resource sharing efficiencies and develop a regional infrastructure Plan
- Identify and collating infrastructure projects from Council plans
- Generally, identify and develop regional economic growth strategies and opportunities

Key achievements and outcomes:

- Worked through the meeting Action items
- Shared information and knowledge about individual Council projects and programs
- Received Key speakers and presentations on Small Business, Hydrogen opportunity, Community Wealth building, RAA EV charging network
- Developed and reviewed a list of Private, public and Policy projects

	Regional LGA Organisations EO Management Group
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The Regional LGA EO group has its membership drawn from each of the Executive Officers of the respective regional LGA organisations

The Regional LGA Organisations EO Management Group held meetings on:

Date	Host
24 August 2022	On line
3 November 2022	Adelaide Hills
16 February 2023	Mintaro
18 April 2023	LGFA offices
27 June 2022	On Line

Primary tasks and focus for this committee:

- To provide input into the sector, develop capacity, share knowledge and develop co-operation between the regions:
- Develop a working relationship with the LGA Management team
- Have input into sector issues
- Advocate on behalf of the regions
- Share information and provide collegiate support

Key achievements and outcomes:
○ Guidance and assistance with the regional road mapping exercise. Formed working task group (QGIS)
○ Assisted Legatus Group in funding and developing Regional Local Government Workforce and careers project
○ Worked with LGA to define the role and responsibility of regional organisation Executive Officers and SAROC/LGA
○ Continued to advocate on regional CWMS and Waste issues
○ Advocacy on the regional housing crisis, regional workforce development and regional mental health services



S&HLGA Advisory Group

The S&HLGA Advisory Group consists of the respective S&HLGA President and Deputy President and CEOs of the President and Deputy President Councils.

The S&HLGA Advisory Group held meetings on:

Date	Host
4 August 2022	Alexandrina
16 May 2023	City of Victor Harbor

Primary tasks and focus for this committee:

- Support the Southern & Hills LGA Executive Officer in reviewing the progress of the Southern & Hills Regional Key Action plan and Business Plan.
- To provide strategic advice to the Southern & Hills LGA and its Executive Officer.
- Provide a forum for, support and exchange of ideas around local government.
- Undertake the performance review of the Executive Officer of the Southern & Hills LGA in accordance with relevant contract requirements.
- Report back to the Southern & Hills LGA Board on projects and tasks as required.

Key achievements and outcomes:

- Developed a briefing paper for Minister for Transport visit to the region
- Revised the S&HLGA Board meeting Agenda format
- Reviewed and recommended the S&HLGA 2022-2023 Draft Budget
- Made recommendations with respect to the Jeff Tate S&HLGA Strategic Review Report



SAROC

The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils.

The S&HLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings for S&HLGA Board meetings and collegiate support to prepare submissions on behalf of regional Councils.



MP Relationships

The EO S&HLGA met regularly with the regions State government Members of Parliament (Finniss, Mawson, Kavel and Heysen) to discuss key priorities and policy impact for the region.

Federal MP Rebekha Sharkie (Mayo) and/or members of her team were regular attendees at S&HLGA Board meetings along with the regions State government MPs

Regional Research Papers and Submissions

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

- LGA Building Capacity progress report
- LGA Building Capacity final report 2022-2023
- Bushfire and Biodiversity final report and acquittal.
- SAROC delegate report
- ESCOSA Council Oversight Fee structure

LGA Board

Mayor Jan – Claire Wisdom (Adelaide Hills Council), Mayor Keith Parkes (Alexandrina Council) and Mayor Moira Jenkins (City of Victor Harbor) have represented the Southern and Hills Region at the Local Government Association State Board meetings during 2022-2023.

Resources

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

Part of the additional capacity has supported the processes and program and project outcomes from the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, S&HLGA Regional Public Health Committee and S&HLGA 2022-2027 Regional Public Health and Wellbeing Plan, RH&C Committee Regional Action Plan, involvement with LGA and SAROC, the regional EO group, the remaining regional committees and various reports, submissions and forums throughout the year.

Mr Graeme Martin has provided Executive Officer services to the Association.

Jen St Jack and *Olivia Davies* have provided under contract, project oversight and co-ordination of the work program of the Resilience Hills and Coasts, S&HLGA's Climate Change Committee.

2022-2023 KEY ANNUAL ACTION PLAN

S&HLGA Key Annual Action Plan report for 2022-2023



2022-23 S&HLGA ANNUAL KEY ACTION PLAN PERFORMANCE REPORT

KEY CATEGORIES & THEMES

THE 2021-2025 S&HLGA BUSINESS PLAN





KEY STRATEGIC OBJECTIVES
1. Advocate and Assist – Provide leadership and advocacy for its member Councils on regional and state issues
2. Promote and Partner - To market & promote the Southern & Hills Local Government Association as a credible and capable advocate on behalf of its member Councils. Partner with relevant organisations and regional drivers
3. Research and Recommend - To conduct research and communicate on important or emerging issues for Councils and their communities
4. Capacity and Capability – Build the capacity of its member Councils. Provide valuable information. Explore opportunities both external and internal to build capacity and capability in our region
5. Good Governance - Provide sound financial management. Ensure compliance with all regulatory obligations. Continually review, evaluate and mitigate risks










2022-2023 Annual Key Action Plan - Key Strategic Themes












Funding & Sustainability	Natural Environment	Built Environment	Healthy Communities	Profile & Relationships
<ul style="list-style-type: none"> Have input into LG reform via the LGA Explore S&HLGA Membership via a new Peri Urban region and continually seek External Funding for projects and programs 	<ul style="list-style-type: none"> Implement Resilient Hills & Coast Climate adaptation Plan and 2020-2025 Priority Action Plan Tender & complete PAC Bushfire & Diversity Project Overabundant species (Little Corella) Strategy and Management 	<ul style="list-style-type: none"> Advocate new 2030 S&HLGA Transport Plan and SLRP applications, Advocate South Coast Freight Corridor continue development of a Regional Infrastructure Plan (with RDA) Highlight and advocate for complete regional coverage of mobileTelecommunications and/or 5G 	<ul style="list-style-type: none"> Finalise S&HLGA 2022-2027 Regional Public Health Plan 	<ul style="list-style-type: none"> Continue relationship building with Government MPs Website information & maintenance

THE 2022-2023 S&HLGA ANNUAL KEY ACTION PLAN

Role	Items & Actions
General Administration (sound financial and compliance management, Good governance)	Budget, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals.
Projects and support (capacity and capability, research and recommend)	Finalise S&HLGA 2022-2027 Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan and 2020-2025 Priority Action Plan, Tender & complete PAC Bushfire & Diversity Project, Advocate new 2030 S&HLGA Transport Plan and SLRP applications, South Coast Freight Corridor
Leadership, advocacy and marketing	LG reform, Continue relationship building with Government MPs, Website information & maintenance, Peri-Urban grouping Overabundant species (Little Corella) Strategy and Management,
Opportunities (capacity and capability, promote and partner)	CWMS, Waste, Regional Infrastructure Plan, Membership and External Funding, Telecommunications and 5G

Key		Not on track/overdue / yet to commence
		Past due date but some minor action commenced
		Past due date / action commenced and on track
		completed / no further action required

Theme	Items & Actions	Item	Status	Comment
General Administration (sound financial and compliance management, Good Governance)	Budget, Board meetings, Committee meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals,	Budget		2022-23 Adopted
		Subscriptions & levies		Finalised and invoices submitted
		Audit		Completed Aug 2022
		Annual Report		Completed Sept 2022
		LGA Grants		2021-2022 Regional Capacity Grant acquitted. 2022-2023 application submitted for approval by the LGA. Received Sept 2022
		Website		Updated regularly
Projects and support (Capacity and Capability, Research and Recommend)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Regional Transport Plan	Regional Public Health Plan		Final draft submitted to SA Health. Individual member Councils & Board have approved final draft
		Resilient Hills & Coast Climate adaptation Plan		Active and Regional Action 2020-2025 plan being executed
		Regional Transport Plan		2030 Plan adopted. New critical Roads database being developed. 2022-2023 SLRP funding

				approved by LGTAP. 2023-2024 SLRP applications in progress.
		Bushfire & Biodiversity		RFQ issued. Respondents evaluated and Consultant appointed. First draft of example cases studies developed
Leadership, advocacy and marketing	LGA Peri-Urban Governance review, New Government Policies and LG Reform, Relationship building with State Government MPs, Overabundant species	Peri Urban Regional Organisation Governance review		Peri-urban regional organisation yet to be investigated
		LG key issues		Continuing to work with the LGA/SAROC
		Relationship with MPs		Regularly meeting. Encouraging attendance at Board meetings
		Overabundant species(Little Corellas)		Working with Landscapes Board but slow progress. LGA awaiting pilot program results
Opportunities (Capacity and Capability, Research and Recommend, Promote and Partner)	CWMS, Regional Infrastructure Plan, External Funding, Digital Connectivity and telecommunications, Regional Business/Workstation hubs	CWMS		Committee to meet regularly. Liaise with Legatus and LGA CWMS management Committee. Workshop completed 4 Nov
		Infrastructure Plan		Recent RDA priority project forum/ Committee meeting regularly
		External funding		Project based – Bushfire & Biodiversity successfully funded
		Telecommunications		Working with RDA. Seek funding opportunities as presented
		SA Coastal Councils Alliance		Constant relationship with SACCA. Delegates nominated Feb 2023
		Regional Govt.Business Hubs		Commenced research with Alexandrina as a partner

Category	S&HLGA Role	Item	Comment/Description
Administration	Active/Lead	EO KPIs	Agreed in June 2022. Progress report Feb 2023
	Active/Lead	Budget 2022-2023	Adopted in June 2022
	Active/Lead	Key Action 2022-2023	Adopted in June 2022
	Active/Lead	Regional Capacity grant acquittal 2021-2022	Acquited July 2022. Progress report Jan 2023
	Active/Lead	Audit 2021-2022	Commenced July 2022. Completed Sept 2022
	Active/Lead	Annual Report 2021-2022	Commenced August 2022. Completed Sept 2022
	Active/Lead	Website maintenance	Ongoing
Projects – Lead/S&HLGA Committee	Active/Lead	S&HLGA 2022-2027 Regional Public Health Plan/Committee	Ongoing meetings 12/8/22, 29/11/22,28/02/2023,19/05/2023
	Active/Lead	Resilient Hills & Coast	Ongoing meetings 11/8/22,14/10/22,8/12/22,30/03/2023,1/06/2023
	Active/Lead	S&HLGA Advisory Group	Ongoing meetings 4/8/22,16/05/2023
	Active/Lead	2030 Transport Plan/ Road Works Party	Ongoing meetings 20/9/22,16/03/2023
	Active/Influence	CWMS	Legatus Group now leading sector review. Update 24/8/22. Workshop 4 Nov, Conference 8 June 2023
Projects – Lead	Active/Lead	Bushfire and Diversity Project	Tenders issued, Consultant appointed. Commenced Aug 2022. Case studies developed
	Lead/Partner/Influence	Regional LGA Management Group	Regular meeting of the LGA EOs and development of priority projects, key issues in conjunction with SAROC. Meeting 24/8/22,7/11/22,16/02/2023,18/04/2023, 18/04/2023
Projects - Partner	Partner/Influence	SA Coastal Councils Alliance	Maintaining relationship and support for Strategic and Business Plans
	Partner/Advocate	Telecommunications	Advocating for regional black spot funding and ready for 5G. Partner with RDA. Attended NBN Business satellite expo 17/8/22
	Partner/Influence	Economic Development Network Forum	RDA lead but focus on Regional Infrastructure plan, Federal stimulus opportunities and Public Transport. Meeting 8/8/22,7/11/22,13/02/2023, 8/05/2023
	Partner/Advocate	Northern Freight Bypass	Continue to advocate road upgrades with MRLGA
	Facilitator/Advocate	South Coast Freight Corridor	Finalise route. Develop Business Case. Advocate with State and Federal Govt. Seek funding. Minister attended S&HLGA Board meeting 26/8/22
	Partner/Influence	Overabundant Species	S&HLGA/LGA/Landscapes Board working on collaborative project for managing Little Corellas

Category	S&HLGA Role	Item	Comment/Description
	Partner/Influence	Regional Government Business Hubs	Inform on criteria. Investigate potential. Partnering with Alexandrina
Relationships	Active/Lead/Influence	State MPs/Federal MP	Continue regular catch ups during 2022-2023
	Active/Lead/Influence	Peri –Urban Group	Advocate and seek input from potential expanded Council members into a larger peri – urban Regional Organisation.

Acronyms

AICD.....	Australian Institute of Company Directors
CEO.....	Chief Executive Officer
CWMS.....	Community Wastewater Management Systems
DEW.....	Department of Environment and Water
EO.....	Executive Officer
ESCOSA.....	Essential Services Commission of South Australia
GAROC.....	Greater Adelaide Region of Councils
LGA.....	Local Government Association
MP.....	Members of Parliament
MDBA.....	Murray Darling Basin Authority
MOU.....	Memorandum of Understanding
NBN.....	National Broadband Network
NRM.....	Natural Resources Management
OLG.....	Office of Local Government
PIRSA.....	Primary Industries & Regions SA
RH&C.....	Resilient Hills and Coasts Committee
RDA.....	Regional Development Australia
RPHC.....	Regional Public Health Committee
RWP.....	Roads Works Party
SA.....	South Australia
SAROC.....	South Australian Regional Organisation of Councils
S&HLGA.....	Southern and Hills Local Government Association
SLRP.....	Special Local Roads Program

FINANCIALS

S&HLGA Audited Financial statement for 2022-2023

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

FINANCIAL STATEMENTS

Statement of Comprehensive Income for the Year Ended 30th June 2023

	Notes	2023 \$	2022 \$
Income			
Subscriptions	1.8	132,680	129,423
Operating Grants	2.2	40,000	42,783
Investment Income	1.7	7,094	665
Other		203,185	115,694
Total Income		<u>382,959</u>	<u>288,565</u>
Expenditure			
Employee Costs		157,309	150,733
Materials, Contracts and other expenses	3	206,431	218,354
Finance Charges		6,003	5,536
Total Expenditure		<u>369,743</u>	<u>374,623</u>
Surplus (Deficit) from Operations		<u>13,216</u>	<u>(86,058)</u>

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Balance Sheet as at 30th June 2023

	2023	2022
Notes	\$	\$
Current Assets		
Investments	155,291	218,876
Debtors	8,834	0
Total Current Assets	164,125	218,876
Current Liabilities		
Accounts Payable	0	2,673
Grants in Advance	27,000	81,818
GST	(24,802)	(1,808)
PAYG Payable	10,304	5,152
Employee provisions	36,169	36,169
Rounding	(14)	(15)
Superannuation payable	1,502	0
Wages payable	5,264	(599)
Total Current Liabilities	55,423	123,390
Net Current Assets	108,702	95,486
Net Assets	108,702	95,486
Equity		
Accumulated Surplus	108,702	95,486
Total Equity	108,702	95,486

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Changes in Equity for the Year Ended 30th June 2023

	2023	2022
Notes	\$	\$
Accumulated Surplus		
Balance at beginning of period	95,486	181,544
Net Surplus / (Deficit)	13,216	(86,058)
Balance at end of period	108,702	95,486
Total Equity	108,702	95,486

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2023

	2023	2022
Notes	\$	\$
Cash Flows from Operating Activities		
Receipts	294,181	406,690
Payments	(382,893)	(382,437)
GST Paid (received)	0	(2,205)
Finance Costs	0	(5,537)
Interest Receipts	25,125	665
Net Cash Provided by (Used in) Operating Activities	(63,687)	17,176
Net increase/(decrease) in Cash Held	(63,587)	17,176
Cash at the beginning of the reporting period	218,876	201,700
Cash at the end of the reporting period	155,290	218,876

Reconciliation of Change in Net Assets to Cash from operating activities

	2023	2022
		\$
Net Surplus	13,216	(86,058)
Decrease / (Increase) in Provisions	12,517	8,063
Decrease / (Increase) in Debtors	(8,834)	0
(Decrease) / Increase in Accounts Payable	(2,673)	13,353
(Decrease) / Increase in Grants in Advance	(54,819)	81,818
Increase / (Decrease) in GST	(22,994)	0
Net Cash provided by Operating Activities	(63,587)	17,176

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2023

	2023	2022
Notes	\$	\$
Cash Flows from Operating Activities		
Receipts	294,181	406,690
Payments	(382,893)	(382,437)
GST Paid (received)	-	(2,205)
Finance Costs	-	(5,537)
Interest Receipts	25,125	665
	(63,687)	17,176
Net Cash Provided by (Used in) Operating Activities		
	(63,587)	17,176
	218,876	201,700
Cash at the beginning of the reporting period		
	155,290	218,876
Cash at the end of the reporting period		

Reconciliation of Change in Net Assets to Cash from operating activities

	2023	2022
		\$
Net Surplus	13,216	(86,058)
Decrease / (Increase) in Provisions	12,517	8,063
Decrease / (Increase) in Debtors	(8,834)	0
(Decrease) / Increase in Accounts Payable	(2,673)	13,353
(Decrease) / Increase in Grants in Advance	(54,819)	81,818
Increase / (Decrease) in GST	(22,994)	-
Net Cash provided by Operating Activities	(63,587)	17,176

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

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.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 24 August 2023

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

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

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

1.5 Non-Current Assets and Non-Current Liabilities

The Association has nil non-current assets or non-current liabilities.

1.6 Employees

The Association has one employee having converted the CEO from contractor to employee in February 2019.

1.7 Investments

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.8 Subscriptions

Clause 6 of the Charter of the Association prescribes that subscriptions (not levies) by Constituent Councils are equal. The Charter has since been amended in January 2022 allowing flexible subscriptions.

Constituent Council Subscription 2023	\$20,500
Constituent Council Subscription 2022	\$20,000

1.9 Income recognition

The Association recognises revenue under AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) or AASB 15 *Revenue from Contracts with Customers* (AASB 15) when appropriate. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Association expects to be entitled in a contract with a customer. In other cases, AASB 1058 applies when the Association enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that is to be controlled by the Association.

1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

2 Functions / Activities of the Association

2.1 Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.

2.2 The activities of the Association are categorised into the following broad functions:

Administration: The operation of the Office of the Association and its decision making forums.

Special projects: The research into and implementation of projects prescribed by Acts or regulations or approved by Board decision.

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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

Administration

Year	Revenue			%	Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue		Expenses Total	%	
2023	0	140,249	148,430	38.8%	194,640	52.6%	(54,391)
2022	0	131,295	131,295	45.5%	196,452	52.4%	(65,157)
Projects							
2023	129,849	104,680	234,529	61.2%	175,103	47.4%	86,426
2022	157,270	0	157,270	54.5%	178,171	47.6%	(20,901)
Total							
2023	129,849	244,929	382,959	100%	369,743	100%	32,035
2022	157,270	131,295	288,565	100%	374,623	100%	(86,058)

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Contractual Services

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

	2023	2022
Consultants:		
Jeanette Pope	\$0	\$13,723
URPS	\$0	\$2,443
HDS Australia Pty Ltd	\$16,533	\$33,025
Centre for Inclusive design	\$0	\$23,850
Nature Conservation Society SA	\$79,567	\$0
Jack Jensen	\$84,100	\$33,000
Penny Worland Consulting	\$	\$21,944
Jeff Tate Consulting	\$7,862	\$0
AHC	\$0	\$10,000
<hr/>		
Total	\$188,062	\$137,985
Materials and other expenses	\$18,369	\$80,369
<hr/>		
Total	\$206,431	\$218,354

4. Comparison of Budget and Actual Results

	2023		2022	
	Budget	Actual	Budget	Actual
	\$	\$	\$	\$
Revenue				
Administration	137,180	140,249	131,281	131,295
Projects	219,757	261,529	144,270	157,270
<hr/>				
Total Revenue	356,937	401,778	275,551	288,565
Expenditure				
Administration	195,284	194,640	186,028	196,452
Projects	172,880	175,103	171,424	178,171
<hr/>				
Total Expenditure	368,164	369,743	357,452	374,623
<hr/>				
Surplus (Deficit)	(11,227)	32,035	(81,901)	(86,058)

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern & Hills Local Government Association to certify the financial statements in their final form. In our opinion:

- o the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- o the financial statements present a true and fair view of the Association’s financial position at 30 June 2023 and the results of its operations and cash flows for the financial year.
- o internal controls implemented by the Authority provide a reasonable assurance that the Association’s financial records are complete, accurate and reliable and were effective throughout the financial year.
- o the financial statements accurately reflect the Association’s accounting and other records.

Dated 29 August 2023



Graeme Martin
EXECUTIVE OFFICER



Mayor Moira Jenkins
PRESIDENT

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2023, the Association’s Auditor, Accru Harris Orchard, 172 Fullarton Rd, Adelaide, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Dated 29 August 2023



Graeme Martin
EXECUTIVE OFFICER



Mayor Moira Jenkins
PRESIDENT

AUDITOR'S INDEPENDENCE DECLARATION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

To the Board Members of Southern & Hills Local Government Association

As lead auditor for the audit of Southern & Hills Local Government Association for the financial year ended 30 June 2023:

I confirm that, for the audit of the financial statements of Southern & Hills Local Government Association for the year ended 30 June 2023, 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.



ACCRU⁺ HARRIS ORCHARD



**LUKE BOLLMEYER
DIRECTOR**

Dulwich, 29 August 2023

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION**

Opinion

We have audited the special purpose financial report of Southern & Hills Local Government Association (the "Association"), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and director's declaration.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2023 is prepared, in all material respects, in accordance with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Australian Accounting Standards and *Local Government Act 1999* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- + Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- + Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- + Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- + Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- + Evaluate the overall presentation, structure, and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



ACCRU⁺ HARRIS ORCHARD



**LUKE BOLLMEYER
DIRECTOR**

Dulwich, 29 August 2023

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

INDEPENDENT ASSURANCE REPORT

Qualified Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by Southern and Hills Local Government Association ('Association') in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2022 to 30 June 2023 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, in all material respects:

- (a) The controls established by the Association in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- (b) The controls operated effectively as designed throughout the period from 1 July 2022 to 30 June 2023.

Basis for Qualified Opinion

The Association sought exemption from the requirement in clause 30 of Schedule 2 of the Local Government Act 1999. The Minister granted the exemption on the basis that the Association would periodically review and update its internal controls and encouraged the use of the practical and contemporary guidance material on internal controls issued by the Local Government Association's 'Better Practice Model – Internal Financial Controls'.

The Association's 'Operations Manual – Finance Policy' is available on the Association's website and was last updated in October 2014.

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ASAE 3150 Assurance Engagement on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

The Associations Responsibility for Internal Control

The Association is responsible for:

- a) The receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Identifying the control objectives
- c) Identifying the risks that threaten achievement of the control objectives

- d) Designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) Operating effectively the controls as designed throughout the period.

Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 Quality Control for Firms that Performs Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements in undertaking this assurance engagement.

Auditor's Responsibilities

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the Local Government Act 1999 in relation only to the internal controls established by the Authority to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Information and ASAE 3150 Assurance Engagements on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the Local Government Act 1999 in relation only to the internal controls specified above for the period 1 July 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Limitations of Use

This report has been prepared for the members of the Authority in Accordance with Section 129 of the Local Government Act 1999 in relation to the Internal Controls Specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Authority, or for any purpose other than which it was prepared.



ACCRU⁺ HARRIS ORCHARD



LUKE BOLLMEYER
DIRECTOR

Dulwich, 29 August 2023



Appendix Three

Our Strategic Plan - Goals, Objectives and Priorities

Goal 1 – A functional BUILT ENVIRONMENT

Objective	B1 - Our district is easily accessible for community, our businesses and visitors	B2 - Preserve and enhance the unique character of the Hills for current and future generations	B3 - Consider external influences in our long term asset management and adaptation planning	B4 - Sustainable management of our built assets ensures a safe, functional and well serviced community
Priority	<ul style="list-style-type: none"> • B1.1 - Increase accessibility to our district through the development and delivery of high priority trails and routes for all cyclists (on-road, off road, commuters, recreational) and pedestrians • B1.2 - Improve outcomes for the elderly by incorporating Council's Age Friendly Strategic Plan into built environment design and delivery • B1.3 - Progress state-wide and inter-regional connectivity of cyclist routes by partnering with neighbouring councils. • B1.4 - Ensure that the key road network is accessible for heavy vehicles used by the primary production, tourism and construction sectors through engagement with industry and Government. • B1.5 - Provide accessibility for the full range of users by ensuring Council's road, footpath and trails network is adequately maintained and service levels for all users are developed and considered. 	<ul style="list-style-type: none"> • B2.1 - Continue to embrace and support community led public place revitalisation across our district. • B2.2 - Incorporate Water Sensitive Urban Design principles within Council developments and projects and advocate for other developments within the region to do the same • B2.3 - Proactively work with developers to ensure that built form complements or enhances existing local character whilst preserving the character and amenity of our towns, historic buildings and scenic environment • B2.4 - Ensure our planning framework, council policies and guidelines support privately owned local heritage places. • B2.5 - Continue to collaborate with other councils and stakeholders in pursuing our World Heritage Bid to protect the landscapes, sites and facilities that represent the State's aboriginal and early colonial history • B2.6 - Support communities recovering from natural disasters with expedited development assessment services 	<ul style="list-style-type: none"> • B3.1 - Improve water security by maximising water reuse opportunities, reducing reliance on ground water and improving water efficiencies for open space irrigation and building facilities • B3.2 - Aim to achieve 100% renewable energy use for our corporate operations and strive towards carbon neutrality • B3.3 - Investigate and source recyclable materials for asset renewal projects wherever practical and in doing so promote the circular economy • B3.4 - Proactively adapt our built environment to changes in social and environmental factors to minimise the impact from natural hazards such as fire and flood. 	<ul style="list-style-type: none"> • B4.1 - Ensure the long term management of the built form and public spaces occurs in consideration of the relevant financial, social and environmental management matters. • B4.2 - Embrace innovative and new technology solutions to proactively maintain our built assets that further enhance the provision of efficient services to the community • B4.3 - Ensure Council owned or managed assets, including staff accommodation, are functional and adaptive to meet service requirements. Also, where appropriate and endorsed by Council, equitably assist community owned site (halls and recreation sites) to ensure their facilities are functional and meet service standards. • B4.4 - Improve road safety through a safe system approach to road design, construction and maintenance including on-going applications to the State and Federal Road Blackspot program • B4.5 - Explore and provide the infrastructure to support Electric Vehicles (EV) and investigate infrastructure requirements for emerging technological transport such as Connected and Automated Vehicles (CAV)

Goal 2 – COMMUNITY Wellbeing

Objective	C1 - A community for everyone - that is inclusive, welcoming and accessible	C2 - A connected, engaged and supported community	C3 - A community that grows together	C4 - An active, healthy, thriving and resilient community	C5 - Respect for Aboriginal Culture and values	C6 - Celebrate our community's unique culture through arts, heritage and events
Priority	<ul style="list-style-type: none"> • C1.1 - Provide welcoming spaces and places for the community through our libraries, community centres, and Council and community facilities • C1.2 - Support and promote opportunities for social inclusion and celebration of our cultural diversity • C1.3 - Make the district more accessible and welcoming for all with a focus on youth participation, positive ageing, disability inclusion and multiculturalism • C1.4 – Advocate and Seek opportunities to improve transport options for those who need it most • C1.5 - Encourage more housing opportunities where provided for in the Development Plan 	<ul style="list-style-type: none"> • C2.1 - Work with community to provide a range of programs and opportunities to connect and engage around shared interests • C2.2 - Support our ageing community to access services and continue to participate and contribute to community life • C2.3 - Facilitate opportunities for our youth to develop skills, build resilience and be actively involved in and connected to their community. • C2.4 - Increase participation from the broadest range of our community and engage with them to shape policies, places and decisions that affect them • C2.5 - Continue to work with government agencies and non-governmental organisations to support the community recovery from natural disasters and the COVID-19 pandemic. 	<ul style="list-style-type: none"> • C3.1 - Provide and support programs and services that encourage and enhance personal growth, lifelong learning and professional development • C3.2 - Support volunteering both organisationally and in the community as an essential element in delivering community outcomes and building wellbeing • C3.3 - Empower our community groups and leaders to shape and determine change in their community through the provision of training opportunities, grants that meet strategic priorities, building relationships and supporting communities to be cohesive in progressing local projects. • C3.4 - Build partnerships with community and other stakeholders to enhance our capacity to provide and support opportunities for them to thrive 	<ul style="list-style-type: none"> • C4.1 - Support community wellbeing through our contribution to public health planning, disaster recovery activities and the implementation of strategies that aim to measure and enhance wellbeing. • C4.2 - Support the provision of formal and informal sport, recreation and play spaces for the community to enjoy • C4.3 - Recognise that trails are a destination in their own right and support both commuter and recreational trail opportunities • C4.4 - Support clubs and groups to continue to provide sport and recreation activities to the community • C4.5 - Take an all hazards approach to emergency management so we can support the emergency services and the community before, during and after disaster events. 	<ul style="list-style-type: none"> • C5.1 - Partner with the Aboriginal and Torres Strait Islander community to develop our second Reconciliation Action Plan (Innovate) and actively participate in Reconciliation Week • C5.2 - Celebrate and recognise Aboriginal culture and heritage through participation in and the delivery of programs and activities that engage our community in cultural experience and learning 	<ul style="list-style-type: none"> • C6.1 - Develop Fabrik as a vibrant cultural hub for the Adelaide Hills, fostering community connections and creativity and presenting the significant history of the Woollen Mill site • C6.2 - Develop, support or bring events to our district that have social, cultural, environmental or economic benefits • C6.3 - Recognise, encourage and support artists, emerging artists, writers and performers through promotion of the Arts and supporting opportunities to exhibit and perform • C6.4 - Foster the development of Public Art that adds value to public spaces and supports place making in our community

Goal 3 – A prosperous ECONOMY

Objective	E1 - Support and grow our region's existing and emerging industries	E2 - Provide local infrastructure to drive growth and productivity	E3 - Encourage, attract and retain a creative, talented and skilled workforce in our region	E4 - Cultivate a clear, unique and consistent regional identity that can be leveraged to attract national and international attention
Priority	<ul style="list-style-type: none"> • E1.1 - Support and encourage local and international tourists to visit the Adelaide Hills • E1.2 - Take advantage of the full potential of our region's primary production and associated value adding activities • E1.3 - Support and encourage the growth and development of our region's creative industry micro businesses • E1.4 – Promote, support and encourage our existing and emerging businesses to respond to economic changes by being creative, innovative, productive and resilient to unexpected impacts. • E1.5 - Engage and assist our region's key business and industry groups to be resilient, proactive and successful • E1.6 - Encourage and facilitate local supplier participation in all level of Government tendering processes 	<ul style="list-style-type: none"> • E2.1 - Work with all levels of Government to ensure the region's infrastructure needs are understood and prioritised • E2.2 - Explore and advocate for the opportunities that new technologies could bring to our region • E2.3 - Support changes to planning and development that leverages and encourages sustainable economic development • E2.4 - Manage and maintain Council assets to maximise their utilisation and benefit to the community 	<ul style="list-style-type: none"> • E3.1 - Attract and encourage professional and business development and networking activities • E3.2 - Understand the nature of skills our region's businesses will require to prosper into the future • E3.3 - Work with our local communities and businesses to create active, attractive and vibrant places • E3.4 - Enable start-ups and home based business through services, information and networking opportunities 	<ul style="list-style-type: none"> • E4.1 - Work with key stakeholders to develop a realistic, yet inspiring, collective vision to connect the region and its industries • E4.2 - Work with our communities and businesses to encourage co-ordinated and strategic regional projects that enhance and support the regional identity • E4.3 - Support and encourage events that supports the region's identity and generates social, cultural and economic benefits • E4.4 - Support the continued development and community engagement for the World Heritage nomination of the region

Goal 4 – A valued NATURAL ENVIRONMENT

Objective	N1 - Conserve and enhance the regional natural landscape character and amenity values of our region	N2 - Recognise the benefits of ecosystem services and improve environmental resilience by reducing environmental impacts	N3 - Nurture valuable partnerships and collaborations and engage the local community in the management of our natural environment	N4 - Reduce the impact of waste to landfill by maintaining a robust waste and resource management framework	N5 - Assist our community to reduce the impact of waste to landfill on the environment
Priority	<ul style="list-style-type: none"> N1.1 - Enhance and manage horticultural amenity, including succession planning for street trees that contribute to and reinforce our distinctive streetscapes and villages N1.2 - Manage reserves and open space to support the community, whilst balancing biodiversity conservation, resource use and environmental impacts 	<ul style="list-style-type: none"> N2.1 - Monitor and manage areas of high biodiversity or habitat value on Council reserves and Native Vegetation Marker Scheme (NVMS) sites using best practice methodologies N2.2 - Explore opportunities and take appropriate actions to monitor current and emerging threats to biodiversity including feral cats and Phytophthora N2.3 - Mitigate bushfire risks across the landscape by undertaking fuel reduction activities including woody weed control, maintenance of asset protection zones and educate & enforcement to reduce fuels on private property N2.4 - Work with supporting organisations and agencies to foster the restoration of native flora and fauna habitat following the 2019-20 bushfire. 	<ul style="list-style-type: none"> N3.1 - Increase knowledge and environmental awareness within the community through engagement and education N3.2 - Collaborate and engage with public and private organisations, schools and community members (including the Aboriginal community as the first nation peoples), to improve biodiversity outcomes and land management practices. N3.3 - Continue to work in partnership with the Resilient Hills and Coasts region to build Council and community resilience to the impacts of climate change 	<ul style="list-style-type: none"> N4.1 - We will work with partners to analyse the benefits and feasibility of introducing a fee incentive to property owners to produce less waste in relation to the kerbside bin service N4.2 - We will explore more Green Organics options to achieve improved environmental and financial outcomes. N4.3 - We will provide specific education to the community to increase their level of food scrap recycling N4.4 - Implement new or improved waste service opportunities whilst continuing to provide ongoing resource recovery and waste service to our community 	<ul style="list-style-type: none"> N5.1 - Encourage and educate the community to help minimise the generation of household waste by advocating the principles of the Waste Management Hierarchy to avoid, reduce and reuse N5.2 - Support and assist the community to prevent valuable resources going to landfill and reduce contamination in kerbside recycling bins

Goal 5 – A Progressive ORGANISATION

Objective	O1 - We have the right people with the right knowledge and skills in the right jobs and they are supported and developed	O2 - Our customers find it easier to interact and do business with Council and have an improved customer experience	O3 - Our organisation is financially sustainable for both current and future generations	O4 - We actively represent our community	O5 - We are accountable, informed, and make decisions in the best interests of the whole community	O6 - Technology and innovation is utilised to better meet our community's expectations and deliver value for money
Priority	<ul style="list-style-type: none"> • O1.1 - Progressively enhance our safe systems of work to maintain emotional and physical safety of our people • O1.2 - Continue to develop a positive culture through supporting an equitable, diverse and continuously improving work environment • O1.3 - Support our people leaders in further developing the skills necessary to lead engaged and productive teams • O1.4 - Continue to support all staff through training, mentoring, coaching and development to enable the achievement of organisational and community goals 	<ul style="list-style-type: none"> • O2.1 - Develop our digital channels to better meet customers' current and future needs • O2.2 - Modernise our services and enhance the customer experience by making service delivery faster, more convenient and more proactive • O2.3 - Build the capabilities of our people through a focus on two-way communication, cooperation and placing customers at the centre of everything we do • O2.4 - Continuously strive to measure and improve performance and service delivery across all functions 	<ul style="list-style-type: none"> • O3.1 - Ensure the delivery of agreed strategic plan requirements whilst meeting endorsed long term targets for a sustainable operating surplus and level of debt • O3.2 - Ensure that renewal of assets and the associated maintenance is based on current asset management plans which consider reviewed service levels and whole of life costing • O3.3 - Actively pursue alternative funding opportunities to reduce reliance on rates income • O3.4 - Assess the range and level of services undertaken to ensure they fulfil Council's legislative and strategic intent 	<ul style="list-style-type: none"> • O4.1 - Optimise opportunities for the community to access and provide input into the decision-making processes • O4.2 - Attract and develop a diverse and capable elected body that represents, promotes and reflects the composition of the community • O4.3 - Advocate to, and exert influence with, our stakeholders on behalf of our community to promote the needs and ambitions of the region • O4.4 - Explore council boundary reform options that best serve the community. 	<ul style="list-style-type: none"> • O5.1 - Enhance governance structures and systems to prudently adapt to changing circumstances and meet our legislative obligations • O5.2 - Make evidence-based decisions and prudently assess the risks and opportunities to our community before taking action. • O5.3 - Demonstrate accountability through robust corporate planning and reporting that enhances performance, is relevant and easily accessible by the community 	<ul style="list-style-type: none"> • O6.1 - Progressively strengthen Council's systems security to minimise the impact of cyber attack • O6.2 - Utilise technology to enable more evidence based and efficient delivery of services to the community • O6.3 - Provide more resilient business systems by utilising cloud technologies where appropriate • O6.4 - Utilise our online engagement tools to reach a wider range of community members to obtain their views and input. • O6.5 - Support the delivery of services to the community through improved utilisation and connectivity of existing business systems • O6.6 - Ensure the way in which we provide our digital services delivers an enhanced experience for our community