

District Council of Elliston

Annual Report

2013/2014

Vision:

A viable, cohesive, dynamic community which supports expanding economic opportunities in a sustainable manner without compromising the natural assets or quality of the lifestyle of the community.



Ph: (08) 8687 9177

Fax: (08) 8687 9176

Email: dce@elliston.sa.gov.au

Website: www.elliston.sa.gov.au

21 Beach Terrace (PO Box 46) ELLISTON SA 5670

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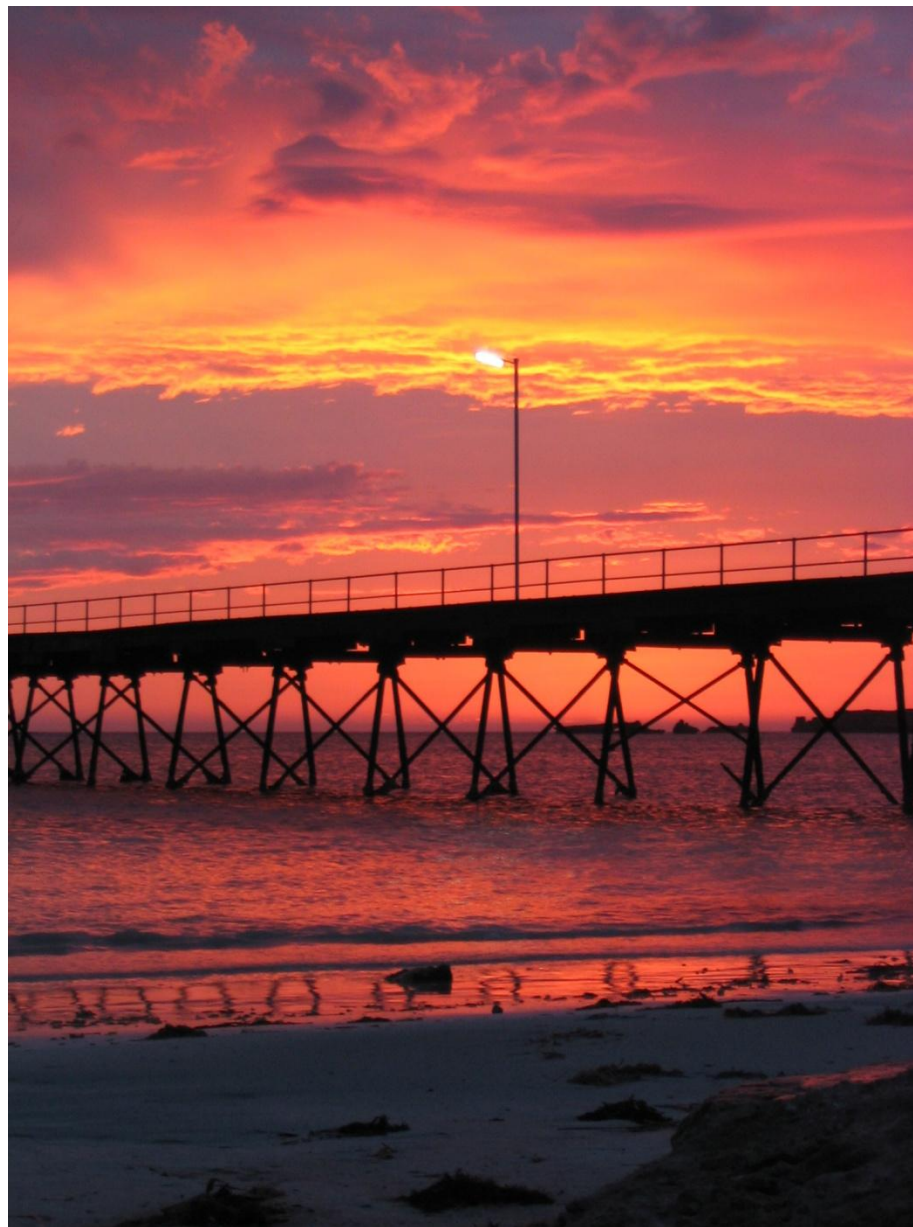
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INTRODUCTION

This Annual Report fulfils Council's legislative requirements, but more importantly, allows Council to inform the community of its operations, activities and achievements for the year under review.

This Annual Report details the performance and achievements for the 2013-14 year and is intended to fulfill Council's desire to be accountable for its outcomes.

In addition, this Annual Report is a historical record for future reference.

The Annual Report offers the reader the opportunity to step back and see the 'big picture' view of how Council is responding to the challenges of a remote rural area.

It also reflects our strong commitment to maintain the highest standards of good governance and to participate in reviews and benchmark projects for the purposes of the continual monitoring of Council's own financial and operational performance.

Each year, Council undertakes many initiatives to help improve the quality of life for its almost 1,200 residents. Much of our effort is focused on the immediate needs of our community. This Annual Report is made available to keep you better informed and we hope you find it useful, informative and reflective of the dynamic nature of our amazing District.

THE AREA IN FOCUS

The District Council of Elliston is located on the western side of the Eyre Peninsula. The area is known for its rugged coastline and dramatic diversity and is enjoyed by many for recreational fishing, camping, surfing, and walking. It covers an area of 669,300 hectares and is approximately 700 kilometres from Adelaide.

Within the district there are two main townships, Elliston and Lock. In addition there are six smaller townships, Port Kenny, Venus Bay, Bramfield, Sheringa, Tooligie and Murdinga. The Council Office is located at Elliston, and Depot Operations are situated in both Elliston and Lock.

The economy of the District is based upon primary production, fishing and tourism industries. Primary production consists of mainly cereal grain (wheat, barley, canola, pulses and oats), meat and wool. In addition to grain, meat and wool production, the extensive coastline is productive fishing ground, supporting recreational fishing, tourism and considerable aquaculture industries, with Anxious Bay delivering Abalone and Crayfish exported from the Eyre Peninsula.

The Council has a total of 1293 rateable properties and approximately 1,146km of unsealed roads.

CHAIRMAN'S REPORT

The last financial year has been challenging for the Council as it has sought to improve its effectiveness and performance.

In April 2013, processes were introduced that identified a wide range of planning, financial, operational, and administrative issues that have been neglected in recent years.

Following the identification of those issues, action has been taken to prioritise and address those issues. However, given the number of issues, a planned approach has been taken that will be on-going over a number of years.

Examples of the issues that Council has undertaken during the year include:

- Obtaining Australian Government funding and completion of Stage 1 of the Elliston Coastal Trail project
- Completion of the spray re-sealing of 10,000m² of sealed streets
- Paving 600 linear metres of town streets
- Implementation of the financial and administrative recommendations of the UHY Haines Norton report
- Commencement of the New Enterprise Bargaining process
- A review of Council's waste management services
- Updating Council's asset management plan and long-term financial plan
- Review of and improvements to Council's information communications technology (ICT) systems
- Preparation of specifications and tender documents, analysis of tenders for ICT hardware, telephony equipment, software and hardware maintenance, and selection of suppliers
- Commencement of a review of Council's Development Plan
- Leased a Council property for the Elliston Men's Shed project and assisted establishment of that project.

Council is expected to deliver services and provide and maintain key infrastructure for the benefit of each of the communities across the Council district. Accordingly, the Council will continue to monitor and manage its performance so that it effectively, and equitably, addresses the needs of all its communities.

We look forward to the challenging work ahead and will strive to improve Communications with residents and ratepayers in the coming year.

Cr Kym Callaghan
Chairman

THE COUNCIL

DECISION MAKING STRUCTURE

The Council has adopted the following decision making structure to facilitate good governance and expedite decision making processes having regard to due process:

- Council
- Council Development Assessment Panel
- Council Audit Committee



STRATEGIC PLAN - MOVING TOWARD 2017

The Council's key directions are contained in 4 objectives with complimentary goals. Key strategies and responsibility for departmental strategy delivery are also outlined and presented in the Strategic Plan.

The Strategic Plan is the overarching framework for Council's suite of plans and includes the Council's Vision, Mission and our core values.

OUR VISION

A viable, cohesive and dynamic community – supporting economic development in a sustainable manner without compromising the natural assets or our quality lifestyle.

OUR MISSION

As a legislated business, the District Council of Elliston aims to provide leadership, representation, advocacy and prudent management for its communities and visitors, and to work with them to identify asset needs and improve services.

OUR CORE VALUES

The Elected Members and staff of the District Council of Elliston are guided by the following day-to-day principles to create a positive and dynamic organisational culture:

- Good governance
- Ethical behaviour
- Community focus
- Integrity
- Team Focus
- Openness and Accountability
- Responsibility
- Cohesiveness
- Positive Leadership

BUSINESS PLAN

Council's Annual Business Plan links the key strategies to action statements with targets and outcomes for each financial year. At departmental level it is translated into an Annual Plan.

REVIEWS

Council has reviewed its suite of plans pursuant to Section 122 (4) of the Local Government Act ensuring alignment with key directions and strategies together with resourcing provisions and legislative compliance.

Above all, Council's plans ensure Council demonstrates it is committed to providing services to the community that are responsive to current and future needs and that the projections and predictions are based on accurate and extensively researched statistical information.

GOALS

The District Council of the Elliston acknowledges that a balanced, robust and well developed set of objectives will serve the Council and community well.

Focusing on the following four goals, Council has developed a framework for its future strategic management plans.

- Our Economy and Infrastructure - To actively encourage, support and promote opportunities to increase the prosperity and sustainable growth of the community and effectively and efficiently manage and improve our community infrastructure.
- Our Environment - To promote the enjoyment of our natural resources in a prudent and environmentally sustainable manner and ensure that our built environment effectively provides for the long term needs of our communities.
- Our Community Services - To deliver a high standard of essential community services and show leadership in developing positive community spirit.
- Our Leadership and Governance - To provide progressive leadership and good governance which encourages confidence of the community in the Council.

Annually, Council aligns budgets and programs against its key directions and strategies while periodically also reviewing its strategic plan as it continues "Moving Toward 2017". The current Strategic Plan was adopted in early 2012 as a result of comprehensive review.

DEFINING TARGETS AND MEASURING PROGRESS

As part of its strategic management plans Council prepares a budget and works program and an Annual Business Plan to deliver the specific outcomes that will make up and achieve its strategic management objectives.

The annual process of defining targets and measuring progress is an integral part of the Council's Management Plan. By setting specific targets and measuring progress against the wider strategic goals, achievement is measured. These forms of measurement are a clear indication of progress, continuous improvement, program delivery and the performance of the Council as a whole.

STRATEGIC MANAGEMENT OBJECTIVES, GOALS AND FUNCTIONS

Founded on the vision Council sees for the Elliston District the strategic plan highlights our commitment, desire and capacity to deliver major projects, capital works and services to maintain and enhance the Council area over the next 5 years.

The Strategic Plan reflects Council's commitment to the Elliston community with its four interrelated goals and objectives.

The objectives underpinning these goals are supported by Council's functional service areas, Executive Services, Corporate and Community Services, Infrastructure and Environmental Services. The organisation is structured to deliver the key strategies through these functional service areas.

Copies of Council's Strategic Plan are available online and from the Council office.



OBJECTIVES, GOALS, FUNCTIONS AND KEY STRATEGIES

The following tables provide an overview of the Objectives, Goals, Functions, Key Strategies and responsibility for strategy delivery.

GOAL	OBJECTIVE	FUNCTION
Our Economy and Infrastructure	We will pursue initiatives to increase tourist visitation to our District to enhance the local economy and spread the word about our beautiful region.	Tourism
	We will develop strategies to position our District to be conducive to a sustainable and growing local business sector.	Economic Development Aged Care
	We will collaborate to develop an integrated transport and road system that provides access for all users.	Infrastructure Management Advocacy Financial Management
	We will pursue and collaborate to secure water and power resources for the future including access to renewable energy and lobby governments to improve access to technology.	Environmental Sustainability Technology
	We will develop and improve our community infrastructure, including sewage and stormwater systems in a staged manner over the period of this Strategic Plan and contingent on available resources.	Storm Water management Community Waste Water Management Systems Community Water Supply
	We will maintain all buildings on the Council register and preserve heritage buildings, items and places of interest in a staged manner over the period of this Strategic Plan and contingent on available resources.	Infrastructure Management Property Management

<p>Our Environment</p>	<p>We will develop sustainable plans for the future growth in all our towns and communities.</p>	<p>Town Planning Building and Development</p>
	<p>We will develop a long term waste management strategy which will address recycling, reduced waste to landfill and prudent management of our landfill.</p>	<p>Waste Management</p>
	<p>We will collaborate to develop environmentally sustainable natural resources.</p>	<p>Environmental Management</p>
<p>Our Community Services</p>	<p>We will continue to support health, family support and aged care services and facilities.</p>	<p>Aged Care</p>
	<p>We will support programs that assist in youth development and leadership and provide opportunities for young people to develop life skills, increase knowledge and build their capacity within the community and provide appropriate ongoing support to schools and childcare centres.</p>	<p>Youth Activities</p>
	<p>We will deliver and maintain high standard and quality of services.</p>	<p>Service Review</p>
	<p>We will maintain relationships with community protection stakeholders.</p>	<p>Communication</p>
<p>Our Leadership and Governance</p>	<p>We will enhance internal processes to ensure high standards of governance.</p>	<p>Governance Review</p>
	<p>We will ensure we have dedicated competent staff and Elected Members.</p>	<p>Training Plans</p>

	<p>We will develop and implement a clear and effective plan for the long term operation of Council</p>	<p>Long Term Plans</p>
	<p>We will ensure that we communicate and engage effectively with our community.</p>	<p>Community Engagement</p>
	<p>We will provide clear leadership and advocate effectively and strategically on behalf of our community.</p>	<p>Strategy</p>

COMMUNITY BENEFIT FUND

During the 2013-2014 financial year Council allocated funds totaling \$26,179

Recipient Name	Funds Provision / Purpose	Running Total (\$)
Lock Swimming Pool	Loan Funding Costs	\$893
Lock Murdinga Tooligie Progress Association	Loan Funding Costs	\$893
Elliston RSL Memorial Community Centre	Running Costs	\$5,500
Elliston Area School	Woolshow	\$500
Woof Design & Print	West Coast Visitor guide	\$250
Elliston Community Cemetery	Cemetery Signage	\$118
Elliston Sports Centre	Community Christmas Party	\$457
Lock Centenary Community Committee	Community Christmas Barbeque	\$500
Sheringa Hall Incorporated	Cricket Match	\$1,300
Port Kenny Sports Centre	Community Christmas Dinner	\$500
Elliston Community Information Centre	Hall Toilets	\$9,267
Lock Murdinga Tooligie Progress Association	Lock Community Park project	\$5,000
Elliston Community information Centre	Salmon Fishing Competition	\$1,000
TOTAL		\$26,178



INFRASTRUCTURE AND ENVIRONMENTAL SERVICES

CAPITAL WORKS PROGRAMME FOR 2013/2014

Description	Total
Projects	
Port Kenny Public Toilet Roof Replacement	\$4,000
Elliston Coastal Trail	\$75,818
Unsealed Roads	
Rocky Valley Road	\$75,000
Mt Damper Road	\$113,500
Colton Back Road	\$75,000
Murdinga Murlong Road	\$98,500
Hundred Line	\$122,500
Sheringa Beach Road	\$144,500
Eichner Road	\$70,000
Tooligie, Fuss & Sieberts Roads/ Tod Highway Intersections & Rail Crossing	\$20,000
Sealed Roads	
McLachlan Street, Lock	\$17,248
West Terrace, Lock	\$66,156
Starke Street, Lock	\$9,669
North Terrace, Lock	\$45,583
Reserve Drain Tod Highway, Lock	\$5,733
Third Street, Elliston	\$8,108
Fourth Street, Elliston	\$8,649
Sixth Street, Elliston	\$18,737
Little Bay Road, Elliston	\$33,129
Wandana Street, Elliston	\$6,272
Boat Ramp Access Road, Elliston	\$10,848
Footpaths	
Railway Terrace, Lock	\$26,300
Hawson Street, Lock	\$232,321
North Terrace, Lock (alongside Town Hall)	\$14,404
Lock Reserve, Tod Highway	\$15,233
Plant and Machinery	
CEO Replacement Vehicle	\$51,500
Lock Handyman Ute Replacement	\$37,600
Minor Plant Replacement (Chainsaw, Brush Cutter, Ride on Mower, etc)	\$3,000
TOTAL WORKS	\$1,202,341

INFRASTRUCTURE

The Infrastructure Services Department plans for new infrastructure and manages and maintains Councils existing civil assets including:

- Roads
- Footpaths and Cycle Tracks
- Stormwater
- Recreation and Open Space Assets including Parks, Gardens and Foreshore
- Waste Management
- Waste Water (Community Wastewater Management Schemes)
- Buildings and Property
- Water supply

The department also maintains eight Council Cemeteries and also oversees the development of new residential and commercial subdivisions as well as providing extensive customer service for the community. Infrastructure Services undertakes these duties with field staff, plant and machinery based at Council depots in Elliston and Lock.

Council's internal Construction staff has again been complemented by the use of private Contractors during the course of the year.

Contractors are used for projects such as road construction, storm water drainage, rubble crushing contracts, installation of kerbing, materials supply and specialist activities such as paving and concrete work.

Local Government recognises the need to maintain employees, who are trained in current technologies, possess suitable skills/knowledge to undertake the required works and have an understanding of the Elliston Council WHS Management System.

A range of other training and refresher courses have also been provided to staff including:

- Records Management
- Burial & Cremation Act
- Cemetery Administration
- Safe Chainsaw Operation
- Chernalert Database Administration
- Chemical Use Certification
- Code of Conduct Training
- Construction Industry White Card
- DrumMuster Refresher Training
- Hazard & Risk Management Training
- Fire Warden training
- Injury Management & return to Work
- Introduction to Local Government
- Front End Loader licence

- Microsoft Excel (Advanced)
- Senior First Aid
- Taxation & Payroll Training
- Workzone Traffic Management
- Financial Controls Training
- Rates Administration Masterclass

Staff have also recently completed Certificate 3 in Local Government (Operational Works)

COUNCIL DEPOTS

Council operates out of two works depots, with Elliston being the principal depot, housing the workshop, primary plant storage and areas for materials storage.

The Lock and Port Kenny sub-depot, houses maintenance plant, has a small workshop for the maintenance of signs and small plant. It too has a storage area for materials and the majority of Parks and Gardens equipment.

WASTE MANAGEMENT

LANDFILL SITES

Council operates one landfill site at Venus Bay for the receivable of putrescible waste, recyclable material, green waste and hardfill.

Waste transfer stations are located in Elliston and Lock, as well as a bin bank at Bramfield that receive recyclable material, green waste and hard waste. The hard waste is transported to Venus Bay for disposal and recycled materials are sent to a Material Recovery Centre in Adelaide.

DRUMMUSTER

The District Council of the Elliston has an ongoing drumMUSTER collection. All bookings are to be made by contacting the Council office.

KERBSIDE COLLECTIONS

Kerbside waste is managed under 1 contract for the collection of putrescibles waste, collection of recyclables.

KERBSIDE RECYCLING

Council's contractor collects recyclables in 240 litre bins on a fortnightly basis. This material was made up mainly of paper, cardboard, steel, plastics and glass.

COMMUNITY LAND

Community Land Management Plans have been prepared and contained in a Register of Community Land which is available to the public for inspection.

ENVIRONMENTAL SERVICES

DEVELOPMENT APPLICATIONS 2013/14

During 2013/14 there were thirty-three (33) New Development Applications, twenty-eight (28) Approved Development Applications and one refused Development Application (Free Standing Carport). The approved applications included some from previous financial years and some 2013/14 applications had not yet been finalized as at 30th June 2014.

Of the approved applications:

- 5 were Class 1a Developments (Dwellings) – of which 3 included Class 1a Developments (Verandas, Garages, Domestic Sheds & a Fence) and 1 was a Reclassification from a Shed to a Dwelling.
- There were a further 17 Class 10a Developments & 2 Class 10b Developments.
- The 2 Class 10b Developments were Lock Welcome Wall and a Fence.
- There were 3 class 7b Developments – (2 Storage Sheds and a Machinery Shed.)
- There was 1 Unclassed Development – (Earthworks)

The Value of the Approved Applications was:

- Class 1a (Dwelling only) - \$12,000
- Class 1a (Dwelling only) – Reclassification from Shed to Dwelling - \$5,000
- Class 1a (Dwellings including Class 10 Buildings) - \$550,000
- Class 10a & 10b Developments only - \$255,536.75
- Class 7b Developments - \$172,905
- Unclassified – (Earthworks) - \$8,000

TOTAL \$ 1,003,441.75

Wastewater Applications:

- 5 Wastewater Applications were lodged.
- Approved - 7 (Note: 2 Approvals were from Applications lodged in the previous financial year)
- Refused - 0

Land Division Applications:

- Lodged Land Divisions – 3
- Approved – 2
- Refused – 0
- To be confirmed – 1

ELECTED MEMBERS



CHAIRMAN

Patrick Clark

P.O Box 54

ELLISTON SA 5670

Ph: 8687 9032



DEPUTY CHAIRMAN

Kym Callaghan

PMB 4

SHERINGA SA 5670

Ph: 8687 8715



COUNCILLOR

Malcolm Hancock

P.O Box 149

LOCK SA 5633

Ph: 8689 1108



COUNCILLOR

Peter Hitchcock

P.O Box 340

LOCK SA 5633

Ph: 8689 1188



COUNCILLOR

Gary White

P.O Box 82

ELLISTON SA 5670

Ph: 0400 295 532



COUNCILLOR

Creagh McGlasson

P.O Box 328

LOCK SA 5633

Ph: 0429 385 776



COUNCILLOR

Grant Rumbelow

P.O Box 1530

ELLISTON SA 5670

Ph: 8687 9170

ALLOWANCES AND BENEFITS FOR MEMBERS OF COUNCIL

Elected Members Allowance Register			
Classification	1 Councillor	1 Councillor	5 Councillors
Stream	Chairman of Council	Deputy Chairman	
Annual Allowance	\$22,134	\$6,917	\$5,534
Reimbursements	Mobile Phone Rental Out of Pocket expenses	Out of Pocket expenses	Out of Pocket expenses
	Entitled allowances and reimbursements according to the Elected Members Allowances and Support Policy		

ALLOWANCES AND BENEFITS FOR COMMITTEE MEMBERS.

Council Development Assessment Panels members receive a sitting fee of \$ 100.00.

Member	Total fees & expenses paid for financial year
Ian Penna	\$ 905.20
Kingsley Holman	\$ 663.00
Bob Pearce	\$ 1380.00
Fred Benes	\$ 500.00
Patrick Clark	\$ 942.00

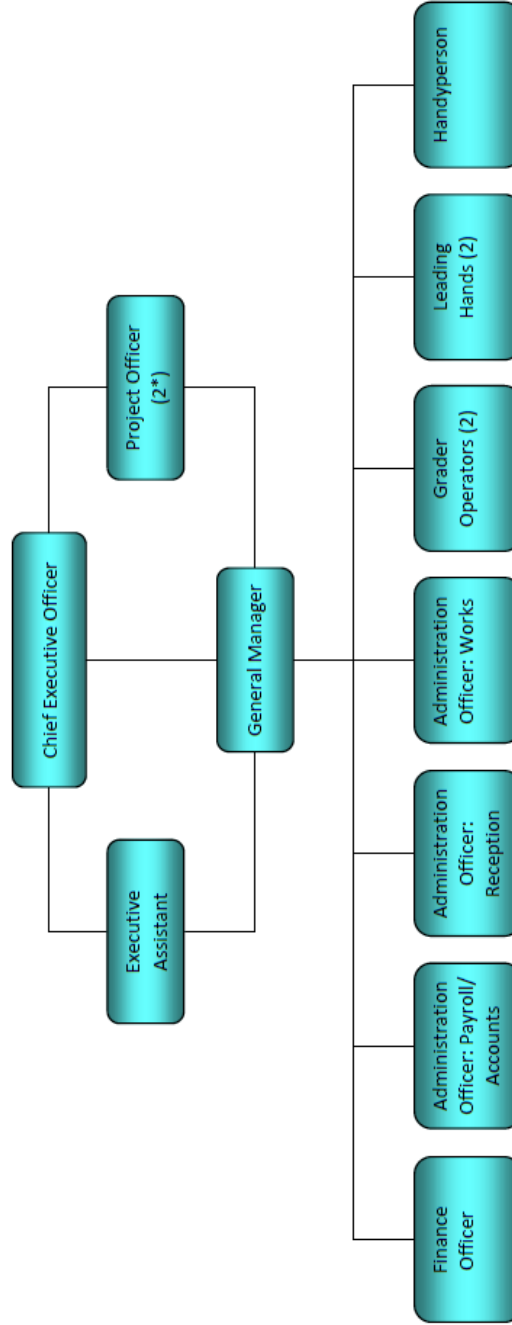
ELECTED MEMBER TRAINING AND DEVELOPMENT

Training was conducted at the Council Officer for Elected Members during 2013/14 to reflect significant changes in the laws governing their legal duties, including:

- The introduction of the Independent Commissioner against Corruption Act 2012
- The Proclamation of a Code of Conduct for Council Members

ORGANISATIONAL STRUCTURE

The District Council of Elliston—Proposed Organisational Chart



Prepared by Chief Executive Officer
5 February 2014

* 1 Project Officer is temporary employed for Elliston Coastal Trail Project

MANAGEMENT AND STAFFING

SENIOR EXECUTIVE OFFICERS

At the beginning of the financial year, the District Council's organisational structure provided for a Chief Executive Officer and 2 Managers. The then-Manager Corporate and Community Services and Manager Infrastructure and Environmental Services had salary packages ranging between \$100,000 to \$150,000 that included salary, superannuation and the use of a fully maintained vehicle. The Chief Executive Officer has a salary package of over \$150,000.

Following the resignation of the Manager Corporate and Community Services, that position was not filled. A review of the District Council's organisational structure resulted in the abolition of that position and the Manager Infrastructure and Environmental Services position. The position of one General Manager was created.

The Register of Remuneration, Allowances and Benefits is available for public inspection.

STAFFING

As at 30th June 2014 the District Council had a total of 13 full time equivalent (FTE) positions. The breakdown of staff numbers by gender, employment type and department is shown in the following table:

District Council of Elliston – Employees:	Male	Female
Senior Executives	2	-
Administrative Services - General	-	3
Infrastructure and Environmental Services	1	-
Finance	-	2
Total Office Employees	3	5
Construction, Maintenance, Parks, gardens & Reserves	5	-
TOTAL DEPOT EMPLOYEES	5	-
TOTAL EMPLOYEES	8	5

EQUAL OPPORTUNITY

The District Council of the Elliston is committed to the principle of equal opportunity. In all policies and practices of the Council, there shall be no discrimination relating to gender, age, disability, marital status, parenthood, lawful sexual preference, race, colour, national extraction, social or ethnic origin, religion or political affiliation.

COUNCIL FINANCIAL RESOURCES

A full audited copy of the General Purpose Financial Reports for the year ended 30th June 2014, pursuant to the Local Government Act 1999 - Section 131, is included as part of this report.

Council returned an operating deficit for the 2013/14 financial year of \$669,464.

OPERATING INCOME

The operating income for Council was derived from various sources and primarily consisted of rate income, government grants and subsidies and other user charges including commercial revenue.

In addition to the Operating Revenue Council received a total of \$1,099,538 from grants, subsidiaries and contributions.

OPERATING EXPENDITURE

The Operating Expenditure for the financial year was incurred in the following operational areas, Employee Costs, Materials, Contractual Services, Other Expenses and Depreciation.

CAPITAL EXPENDITURE

Along with Operating Expenditure the Council is committed to maintaining its fixed assets base. Council spent \$1,081,921.00 on new and upgrading assets.

NON-CURRENT ASSETS

The Non Current Assets of Council are significant and Land, Buildings and Other Infrastructure is valued at \$36,763,710.



FINANCIAL SUSTAINABILITY

Note 15 of the General Purpose Financial Report for the financial year ending 30th June 2014 reports on the Key Financial Indicators used to assess Council with regards to its financial sustainability.

The ratios reported have been calculated in accordance with Information Paper 9 – Local Government Financial Indicators which was prepared as part of the Local Government Association financial sustainability program for the Local Government Association of South Australia.

Council has a suite of documents and plans that summarise the future direction of the Council. These plans form part of the Council's overall Strategic Plan and will provide a path forward into the future that guarantees the long term sustainability of the Council. The Strategic Plan was reviewed during 2011/2012.

FINANCIAL CONTROLS

Section 125 of the Local Government Act 1999 requires Council to have appropriate policies, practices and procedures to ensure that its activities are carried out efficiently and in a manner that safeguards Council's assets and the integrity of its records.

Council utilises LGS software to manage its records including its financial functions, from which budget and actual performance may be reported and analysed.

Reviews of the financial information are undertaken on a quarterly basis and presented along with policies, procedures and controls to the Audit Committee prior to consideration by Council. These policies, procedures and the Audit Committee meeting agendas and minutes are available on Council's website.



STATUTORY INFORMATION

ANNUAL INFORMATION STATEMENT

Access to Council documents is broadened by 'freedom of information' provisions in the *Freedom of Information Act*.

Although a range of documents are restricted or not accessible, the maximum amount of information is made available to the public wherever possible.

INFORMATION AVAILABLE FOR INSPECTION

In accordance with the Local Government Act 1999, Schedule 4, the following information is available for inspection at the Council Office

GENERAL DOCUMENTS -

Agendas and Minutes*

Annual Business Plan *

Annual Financial Reports*

Annual Report*

Assessment Record

Auditor's Report

Campaign Donation Returns prepared by Candidates

Council By Laws*

Strategic Management Plans*

REGISTERS –

Register of Members Allowances and Benefits

Register of By-Laws

Register of Community Land

Register of Delegations

Register of Members' Interests

Register of Public Roads

Register of Staff Interests

Register of Remuneration, Salaries and Benefits

Voters Roll

CODES -

Code of Conduct for Council Members Policy*

Code of Conduct for Employees Policy*

Code of Practice for Access to Council and Committee Meetings and Information Policy*

POLICIES/PROCEDURES -

Annual Business Plan and Budget Policy*

Asset Accounting and Asset Capitalisation Policy*

Australia Day 2011 – Policy and Nomination Form*

Authorisation for Weed Control on Road Reserves Policy*

Caretaker Policy*

Code of Conduct for Council Members*

Code of Conduct for Employees Policy*

Code of Practice for Access to Council and Committee Meetings and Information Policy*

Community Grants Policy*

Complaints and Grievance Policy*

Contracts, Tendering and Purchasing Policy*

Control of Election Signs Policy*

Council Cars and Light Commercial Vehicles Policy*

Council Representatives on Outside Bodies*

Decision Making for Major Items*

Development of Roads on Reserves Policy*

Elected Member Allowances and Support Policy*

Elected Member Training and Development Policy*

Event Safety Risk Assessment and Event Management Plan*

Fire Prevention Policy*

Flag Flying Policy*

Internal Review of Council Decisions*

Kangaroo Field Processing Policy*

Native Vegetation Plan for Roadworks Policy*

Order Making*

Outdoor Dining Policy*

Port Kenny Venus Bay Water Supply*

Private Works and Plant Hire Policy*

Project Management*

Public Consultation Policy*

Rate Rebate Policy*

Rating Policy*

Records Management Policy*

Road Infrastructure Policy*

Stormwater Policy – Port Kenny Venus Bay*

Street Naming Policy*

Street Planting Policy*

Supplementary Election Policy*

Use of Council Resources During Emergencies Policy*

Vehicles Left on a Public Road*

Volunteer Policy*

Waste Collection Policy*

If members of the public wish to have access to, and view any of these documents, they may enquire at Council's customer service counter.

*Note: *available on Council's website*

FREEDOM OF INFORMATION STATEMENT

Where possible we provide information to residents/ratepayers without referral to the provisions of the Freedom of Information Act 1991.

Where information is requested under the Freedom of Information Act 1991 a request form (provided for in the Act) must be completed and forwarded with the required application fee (unless an exemption is granted). FOI request forms are available from the Council office.

We respond to applications as soon as possible, within the statutory 30 days of receipt of a request and application fee or proof of exemption.

We produce a detailed information statement which conforms to the Act (Appendix 2) and is available from the Council office.

In accordance with Section 38(1) of the FOI Act 1999, a person who is aggrieved by a determination made by Council is entitled to an internal review of the determination.

There were no internal reviews for this reporting period.

FREEDOM OF INFORMATION APPLICATIONS (FOI)

Applications made to the District Council under the Freedom of Information Act 1991, containing the information required by the regulations, are reported on as follows:

At the beginning of the financial year no FOI applications were in process.

Two (2) applications were received during the year 2013/14.

The District Council endeavours to make available information as and when requested, as well as taking appropriate action where records may be in error or require amendment. If necessary, formal requests for 'Freedom of Information' access must be made in writing, accompanied by the prescribed fee and should be addressed to the accredited Freedom of Information Officer as follows:

Chief Executive Officer,

District Council of the Elliston,

PO Box 46

ELLISTON S.A. 5670.

EXCLUSION OF THE PUBLIC FROM MEETINGS

Section 90(1) of the Act generally provides that a meeting of Council or its committees must be conducted in a place open to the public. However, Section 90(2) provides that a Council or its committees may order that the public be excluded from attendance at a meeting that it is considered necessary and appropriate to enable that meeting to receive, discuss or consider a matter in confidence.

Those matters are specified by Section 90(3) and include, for example, commercial information, legal advice, tenders, etc.

Council chose to invoke Section 90(2) two times during the year to consider legal advice or actual or potential litigations (Sections 90(3)(h) and (i) or the *Local Government Act 1999* respectively) and also to consider matters of a nature that would have disclosed information that: could reasonably be expected to confer a commercial advantage on a person with whom Council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the Council (Section 90(3)(b)); or, commercial information of a confidential nature (not being a trade position of the person who supplied the information, or to confer a commercial advantage on a third party (Section 90(3)(c)); and would, on balance, be contrary to the public interest.

DATE	MEETING	SUBJECT	RELEVANT SECTION LG ACT	PERIOD TO REMAIN IN CONFIDENCE	RELEASED
17.10.13	COUNCIL	CONTRACT FOR RE-SHEETING SKINNER ROAD BY DJ, IJ AND JL GRAY	90(3)(b), 90(3)(h) and 90(3)(i)	12 MONTHS	RELEASED
22.10.13	COUNCIL	TENDER EVALUATION REPORTS FOR TOWN SPRAY SEALING WORKS AND TOWN PAVING WORKS	90(2), 90(3)(b) and 90(3)(d)	12 MONTHS	RELEASED

CONFIDENTIAL DOCUMENTS

Section 91(1)-(6) of the Act generally provides that minutes of meeting proceedings must be kept and made available for public inspection. However, Section 91(7) provides that a Council or its committees may order that confidential documents may be excluded from general public accessibility. Council chose to invoke Section 91(7) in regard to the minutes and other materials in the instances and for the reasons set out in the above section.

NATIONAL COMPETITION POLICY

Council has no significant business activities. No complaints have been received alleging any breach of competitive neutrality principles by the Council.

ELECTORAL REPRESENTATION REVIEWS

Regulation 4(A) of the *Local Government (General) variation regulations 2012* came into operation on 10 May 2012. This regulation required councils to conduct a periodic review of their composition and wards as determined by notice published in the SA Government Gazette by the minister for State/Local Government relations.

On 31 May 2012 the Minister for State/Local Government relations published a notice in the SA Government Gazette requiring the District Council of Elliston to undertake a review of its structure during the period of October 2012 and October 2013 pursuant to section 12 of the *Local Government Act 1999*.

The Council prepared an options paper and commenced public consultation on 13 June 2013. The consultation closed on 26 July 2013. Council received one (1) submission.

Council considered the results of the Review at its ordinary meeting on 20 August 2013. Council resolved to amend the Council name from The District Council of Elliston to District Council of Elliston. It made no other changes to Councils composition.

ELECTORAL REPRESENTATION QUOTA

Council	Representation Ratio	Voters Roll	No. Of Reps.
Elliston	1:92	739	8
Wudinna	1:129	940	7
Kimba	1:114	803	7
Cleve	1:159	1263	8
Franklin Harbour	1:158	951	6

THE ABOVE INFORMATION, COMPARING COUNCILS CLASSIFIED AS RURAL AGRICULTURAL SMALL HAVE BEEN PROVIDED BY THE STATE ELECTORAL OFFICE VIA THE LOCAL GOVERNMENT ASSOCIATION AS AT 28 FEBRUARY 2014.

ELECTIONS

Elections are held at four yearly intervals, with all positions being declared vacant. Voting is voluntary and not compulsory as is the case with Commonwealth and State Government elections.

BOUNDARY REVIEW

Procedures are available for electors to initiate submissions seeking boundary alterations and alterations to the composition of the Council or its representative structure.

Public notice of the impending review is given, inviting interested persons to make written submissions to the Council on the subject of the review. Persons making submissions are also given the opportunity to appear personally before Council to be heard further. On completion of the review process, the District Council's report is made available for public inspection, with further public submission opportunity and personal hearing being also made available.

CORPORATE AND COMMUNITY SERVICES

GENERAL

2013/14 saw the Corporate and Community Services sector of Council move forward with projects started in previous financial years and the commencement of new projects that will benefit the community as a whole.

The following report gives a breakdown of some of the work undertaken within the corporate and community services sector in 2013/14.

RECORDS MANAGEMENT

Records Management encompasses the care and control of records from their receipt or creation to either ultimate destruction or retention as an archive.

Records are a vital aspect of Council business. The ability to effectively manage and maintain them has become an important function of Council in order to ensure all records can meet any legal, evidential, fiscal, accountabilities and legislative requirements. An ongoing records management project is in place which will ensure that substantial improvements continue to be made in Council's record keeping practices and will assist Council to reach compliance with the State Records Act 1997 and various standards and guidelines issued by State Records.

INFORMATION AND COMMUNICATION TECHNOLOGY

Information and Communication Technology is a key component in Council's ability to process information and deliver communication with the broader community.

The Council continues to broaden staff knowledge and expertise through ICT training programs aimed to improve service productivity and functionality to better serve the Elliston community.

WORK HEALTH SAFETY

Work Health Safety along with Risk Management is a vital component in Councils ability to provide a safe work environment for its employees and a safe community for its residents and visitors.

Council continues to ensure it maintains a high standard in the area of WHS and also Risk Management. This is reviewed annually and monitored by Local Government Association schemes by way of auditing Councils performance and providing feedback to Council in such areas as contractor management, training and accident or incidents both internally and in the community.

PUBLIC SAFETY

The District Council of the Elliston is committed to providing for its residents and visitors to the Elliston area a safe environment. This is done via consultation with the Community, feedback provided to Council via Customer requests and complaints forms from the public.

COUNCIL STAFF SAFETY

Council regards its staff as its greatest asset and continues to strive to provide better knowledge and support in matters of health and risk.

Council conducts regular health assessment check for its employees which includes heart health, health lifestyle options and also skin cancer screening. This is done so Council can try to provide their staff with a better quality of life both at work and at home and to identify any health concerns employees may have so they can source treatment if required.

Council encourages its staff to report hazards and any accidents or incidents so it can try to eliminate these and improve the working environment for its employees.

Training of staff is also an integral part of WHS and risk management and ensures our staff has a better understanding of their responsibilities to themselves and their workers.

Council will continue to explore options to increase the level of knowledge of its employees and to continually strive to improve WHS and risk management in all areas.

DISTRICT COUNCIL OF ELLISTON

General Purpose Financial Reports for the year ended 30 June 2014

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DISTRICT COUNCIL OF ELLISTON

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2014

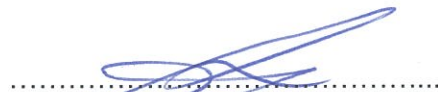
CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Council to certify the financial statements in their final form. In our opinion:

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



George Karzis
(ACTING) CHIEF EXECUTIVE OFFICER



Kym Callaghan
CHAIRMAN

Date: 24 NOVEMBER, 2014

DISTRICT COUNCIL OF ELLISTON

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2014

	Notes	2014 \$	2013 \$
INCOME			
Rates	2	2,015,803	1,911,531
Statutory charges	2	22,679	27,156
User charges	2	79,184	53,595
Grants, subsidies and contributions	2	1,024,555	1,890,331
Investment income	2	84,028	95,776
Reimbursements	2	116,449	118,178
Other income	2	32,151	51,407
Total Income		<u>3,374,849</u>	<u>4,147,974</u>
EXPENSES			
Employee costs	3	1,023,346	819,209
Materials, contracts & other expenses	3	1,901,027	1,843,294
Depreciation, amortisation & impairment	3	1,119,940	1,166,874
Finance costs	3	-	-
Total Expenses		<u>4,044,313</u>	<u>3,829,377</u>
OPERATING SURPLUS / (DEFICIT)		(669,464)	318,597
Asset disposal & fair value adjustments	4	7,384	701
Amounts received specifically for new or upgraded assets	2	74,983	78,987
NET SURPLUS / (DEFICIT)		<u>(587,097)</u>	<u>398,285</u>
transferred to Equity Statement			
Other Comprehensive Income		-	-
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	-	3,458,659
Impairment (expense) / recoupments offset to asset revaluation reserve	9	(404,248)	(317,854)
Total Other Comprehensive Income		<u>(404,248)</u>	<u>3,140,805</u>
TOTAL COMPREHENSIVE INCOME		<u>(991,345)</u>	<u>3,539,090</u>

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

DISTRICT COUNCIL OF ELLISTON

STATEMENT OF FINANCIAL POSITION
as at 30 June 2014

ASSETS	Notes	2014 \$	2013 \$
Current Assets			
Cash and cash equivalents	5	2,790,653	3,481,299
Trade & other receivables	5	225,993	193,134
Inventories	5	14,244	5,604
Total Current Assets		<u>3,030,890</u>	<u>3,680,037</u>
Non-current Assets			
Financial assets	6	17,092	23,641
Infrastructure, property, plant & equipment	7	36,763,710	37,131,076
Total Non-current Assets		<u>36,780,802</u>	<u>37,154,717</u>
Total Assets		<u>39,811,692</u>	<u>40,834,754</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	8	269,113	346,610
Provisions	8	88,272	36,543
Total Current Liabilities		<u>357,385</u>	<u>383,153</u>
Non-current Liabilities			
Provisions	8	2,598	8,547
Total Non-current Liabilities		<u>2,598</u>	<u>8,547</u>
Total Liabilities		<u>359,983</u>	<u>391,700</u>
NET ASSETS		<u>39,451,709</u>	<u>40,443,054</u>
EQUITY			
Accumulated Surplus		7,045,224	7,656,401
Asset Revaluation Reserves	9	31,545,276	31,949,524
Other Reserves	9	861,209	837,129
TOTAL EQUITY		<u>39,451,709</u>	<u>40,443,054</u>

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

DISTRICT COUNCIL OF ELLISTON

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

2014	Notes	Accumulated Surplus \$	Asset Revaluation Reserve \$	Other Reserves \$	TOTAL EQUITY \$
Balance at end of previous reporting period		7,656,401	31,949,524	837,129	40,443,054
Net Surplus / (Deficit) for Year		(587,097)			(587,097)
Other Comprehensive Income					
Impairment (expense) / recoupments offset to asset revaluation reserve			(404,248)		(404,248)
Transfers between reserves		(24,080)		24,080	-
Balance at end of period		<u>7,045,224</u>	<u>31,545,276</u>	<u>861,209</u>	<u>39,451,709</u>
2013					
Balance at end of previous reporting period		7,288,245	28,808,719	807,000	36,903,964
Net Surplus / (Deficit) for Year		398,285			398,285
Other Comprehensive Income					
Changes in revaluation surplus - infrastructure, property, plant & equipment			3,458,659		3,458,659
Impairment (expense) / recoupments offset to asset revaluation reserve			(317,854)		(317,854)
Transfers between reserves		(30,129)		30,129	-
Balance at end of period		<u>7,656,401</u>	<u>31,949,524</u>	<u>837,129</u>	<u>40,443,054</u>

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

DISTRICT COUNCIL OF ELLISTON

STATEMENT OF CASH FLOWS

for the year ended 30 June 2014

	Notes	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		2,006,615	1,934,048
Fees & other charges		24,481	27,156
User charges		47,763	86,326
Investment receipts		89,424	94,856
Grants utilised for operating purposes		948,737	1,811,394
Reimbursements		128,094	118,178
Other revenues		299,542	401,902
<u>Payments</u>			
Employee costs		(1,011,979)	(816,476)
Materials, contracts & other expenses		(2,228,849)	(2,193,932)
Finance payments		-	(5,456)
Net Cash provided by (or used in) Operating Activities		303,828	1,457,996
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		74,983	78,937
Sale of replaced assets		30,111	14,545
Repayments of loans by community groups		6,353	-
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(1,081,921)	(1,003,546)
Expenditure on new/upgraded assets		(24,000)	(125,432)
Loans made to community groups		-	(30,000)
Net Cash provided by (or used in) Investing Activities		(994,474)	(1,065,496)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Cash provided by (or used in) Financing Activities		-	-
Net Increase (Decrease) in cash held		(690,646)	392,500
Cash & cash equivalents at beginning of period	11	<u>3,481,299</u>	<u>3,088,799</u>
Cash & cash equivalents at end of period	11	<u>2,790,653</u>	<u>3,481,299</u>

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

DISTRICT COUNCIL OF ELLISTON

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian 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 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

2 The Local Government Reporting Entity

The District Council of Elliston is incorporated under the SA Local Government Act 1999 and has its principal place of business at 21 Beach Terrace Elliston. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

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

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

In the month of June in recent years the Federal Government has paid amounts of untied financial assistance grants, which are recognised on receipt, in advance of the year of allocation. In June 2012, two quarters of the 2012/13 allocation: \$306,903; and in June 2013, again two quarters of the 2013/14 allocation: \$619,087. This year the amounts were adjusted resulting in the operating deficit being overstated by \$619,087.

DISTRICT COUNCIL OF ELLISTON

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

Note 1 - Significant Accounting Policies (cont)

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

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 Land under roads

Council has elected not to recognise land under roads acquired prior to 1 July 2008 as an asset in accordance with AASB 1051 Land under Roads. Land under roads acquired after 30 June 2008 has not been recognised as in the opinion of Council it is not possible to reliably attribute a fair value, and further that such value if determined would be immaterial.

6.2 Initial Recognition

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

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

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

6.3 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$800
Other Plant & Equipment	\$800
Buildings – new construction/extensions	\$2 000
Park & Playground Furniture & Equipment	\$2 000

DISTRICT COUNCIL OF ELLISTON

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

Note 1 - Significant Accounting Policies (cont)

Road Construction & Reconstruction	\$5 000
Paving & Footpaths, Kerb & Gutter	\$5 000
Drains & Culverts	\$2 000
Reticulation Extensions	\$2 000
Sidelines & Household Connections	\$2 000
Artworks	\$2 000

6.4 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

6.5 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives 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 shown in Note 7. 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.

DISTRICT COUNCIL OF ELLISTON

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

Note 1 - Significant Accounting Policies (cont)

Plant, Furniture & Equipment	Office Equipment	5 to 10 years
	Office Furniture	10 to 20 years
	Vehicles & Road making Equipment	5 to 8 years
	Other Plant & Equipment	5 to 15 years
Building & Other Structures	Buildings – masonry	50 to 100 years
	Buildings – other construction	20 to 40 years
	Park Structures – masonry	50 to 100 years
	Park Structures – other construction	20 to 40 years
	Playground Equipment	5 to 15 years
	Benches, seats, etc	10 to 20 years
Infrastructure	Sealed Roads – surface	15 to 25 years
	Sealed Roads – structure	20 to 50 years
	Unsealed Roads	10 to 20 years
	Bridges – concrete	80 to 100 years
	Paving & Footpaths, Kerb & Gutter	80 to 100 years
	Drains	80 to 100 years
	Culverts	50 to 75 years
	Flood Control Structures	80 to 100 years
	Dams & Reservoirs	80 to 100 years
	Bores	20 to 40 years
	Reticulation Pipes – PVC	70 to 80 years
	Reticulation Pipes – other	25 to 75 years
	Pumps & Telemetry	15 to 25 years
Other Assets	Library Books	10 to 15 years
	Artworks	Indefinite

6.6 Impairment

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

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

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.

6.7 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.

DISTRICT COUNCIL OF ELLISTON

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

Note 1 - Significant Accounting Policies (cont)

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Employee Benefits

8.1 Salaries, Wages & Compensated Absences

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

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

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

8.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 17.

9 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.

10 Pending Accounting Standards

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

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 10	Consolidated Financial Statements
AASB 11	Joint Arrangements
AASB 12	Disclosure of Interests in Other Entities
AASB 119	Employee Benefits
AASB 127	Separate Financial Statements
AASB 128	Investments in Associates and Joint Ventures
AASB 132	Financial Instruments: Presentation

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2011-7, AASB 2011-8, AASB 2011-10, AASB 2012-2, AASB 2012-3, AASB 2012-5, AASB 2012-6, AASB 2012-10, AASB 2013-3, AASB 2013-8 and AASB 2013-9.

(Standards not affecting local government have been excluded from the above list.)

DISTRICT COUNCIL OF ELLISTON

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

Note 1 - Significant Accounting Policies (cont)

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

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

DISTRICT COUNCIL OF ELLISTON

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

Note 2 - INCOME

	Notes	2014 \$	2013 \$
RATES REVENUES			
<u>General Rates</u>		1,714,093	1,860,078
Less: Mandatory rebates		(17,769)	(14,278)
Less: Discretionary rebates, remissions & write offs		(20,536)	(207,881)
		<u>1,675,788</u>	<u>1,637,919</u>
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		63,005	60,388
Waste collection		224,448	177,971
Community wastewater management systems		33,681	32,825
		<u>321,134</u>	<u>271,184</u>
<u>Other Charges</u>			
Penalties for late payment		18,881	2,428
		<u>18,881</u>	<u>2,428</u>
		<u>2,015,803</u>	<u>1,911,531</u>
STATUTORY CHARGES			
Development Act fees		7,766	11,013
Town planning fees		5,960	6,135
Health & Septic Tank Inspection fees		479	936
Animal registration fees & fines		4,825	4,504
Search fees		1,682	1,703
Other licences, fees, & fines		1,967	2,865
		<u>22,679</u>	<u>27,156</u>
USER CHARGES			
Cemetery/crematoria fees		1,140	3,459
House Rental		7,650	5,251
Caravan Income		29,337	27,708
Camping Fees		15,681	12,670
Water		18,973	-
Waste		5,595	2,690
Licence Income		576	1,274
Sundry		232	543
		<u>79,184</u>	<u>53,595</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		82,757	95,206
Banks & other		1,271	570
		<u>84,028</u>	<u>95,776</u>

DISTRICT COUNCIL OF ELLISTON

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

NOTE 2 - INCOME (continued)

	Notes	2014 \$	2013 \$
REIMBURSEMENTS			
- for private works		10,801	41,542
- other		<u>105,648</u>	<u>76,636</u>
		<u>116,449</u>	<u>118,178</u>
 OTHER INCOME			
Rebates received		17,287	3,630
Sundry		<u>14,864</u>	<u>47,777</u>
		<u>32,151</u>	<u>51,407</u>
 GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		74,983	78,987
Other grants, subsidies and contributions		<u>1,024,555</u>	<u>1,890,331</u>
		<u>1,099,538</u>	<u>1,969,318</u>
 <i>The functions to which these grants relate are shown in Note 2.</i>			
 Sources of grants			
Commonwealth government		297,669	682,650
State government		<u>801,869</u>	<u>1,286,668</u>
		<u>1,099,538</u>	<u>1,969,318</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 3 - EXPENSES

	Notes	2014 \$	2013 \$
EMPLOYEE COSTS			
Salaries and Wages		908,845	696,360
Employee leave expense		32,280	2,733
Superannuation - defined contribution plan contributions	17	83,329	67,855
Workers' Compensation Insurance		51,716	53,992
Less: Capitalised and distributed costs		<u>(52,825)</u>	<u>(1,731)</u>
Total Operating Employee Costs		<u>1,023,346</u>	<u>819,209</u>
 <i>Total Number of Employees</i>		 <i>13</i>	 <i>12</i>
<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		11,000	8,000
Elected members' expenses		83,167	68,269
Election expenses		4,422	-
Subtotal - Prescribed Expenses		<u>98,590</u>	<u>76,269</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		1,898,525	1,741,304
Registration and insurance		162,610	134,845
Electricity		53,454	46,317
Travel		7,385	-
Telephone		13,658	16,542
Legal Expenses		107,791	93,890
Levies paid to government - NRM levy		61,033	58,987
- Other Levies		18,274	13,559
Materials		319,157	523,591
Water		13,339	13,789
Advertising		9,929	25,176
Sundry		263,557	210,014
Less: Capitalised and distributed cost		<u>(1,126,273)</u>	<u>(1,110,989)</u>
Subtotal - Other Materials, Contracts & Expenses		<u>1,802,437</u>	<u>1,767,025</u>
		<u>1,901,027</u>	<u>1,843,294</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 3 - EXPENSES (cont)

	Notes	2014 \$	2013 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		120,736	121,065
Road Infrastructure		784,412	802,850
Other Infrastructure		31,508	33,727
Plant & Equipment		138,676	159,300
Furniture & Fittings		22,190	25,314
Other Assets		22,418	24,618
Impairment			
Infrastructure - Roads		<u>404,248</u>	<u>317,854</u>
		1,524,188	1,484,728
Less: Impairment expense offset to asset revaluation reserve	9	<u>(404,248)</u>	<u>(317,854)</u>
		<u>1,119,940</u>	<u>1,166,874</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2014 \$	2013 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		30,111	14,546
Less: Carrying amount of assets sold		<u>22,727</u>	<u>13,845</u>
Gain (Loss) on disposal		<u>7,384</u>	<u>701</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		<u>7,384</u>	<u>701</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 5 - CURRENT ASSETS

	2014	2013
CASH & EQUIVALENT ASSETS		
	Notes	
Cash on Hand and at Bank	\$ 110,946	\$ 269,528
Deposits at Call	2,679,707	3,211,771
	<u>2,790,653</u>	<u>3,481,299</u>
TRADE & OTHER RECEIVABLES		
Rates - General & Other	134,610	125,422
Accrued Revenues	17,624	23,020
Debtors - general	44,326	5,976
GST Recoupment	22,881	32,360
Loans to community organisations	6,552	6,356
	<u>225,993</u>	<u>193,134</u>
INVENTORIES		
Stores & Materials	14,244	5,604
	<u>14,244</u>	<u>5,604</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 6 - NON-CURRENT ASSETS

FINANCIAL ASSETS	Notes	2014 \$	2013 \$
Receivables			
Loans to community organisations		<u>17,092</u>	<u>23,641</u>
TOTAL FINANCIAL ASSETS		<u>17,092</u>	<u>23,641</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	Fair Value Level	2013 \$					2014 \$				
		AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT		
Land		10,402,209	-	-	10,402,209	10,402,209	-	-	10,402,209		
Buildings & Other Structures	2	5,632,030	186,848	(3,690,205)	2,128,673	5,632,030	186,848	(3,810,941)	2,007,937		
Road Infrastructure	3	31,053,876	1,146,679	(9,766,996)	22,433,559	30,184,655	2,201,666	(10,086,435)	22,299,886		
Other Infrastructure	3	-	984,264	(302,949)	681,315	-	984,745	(334,457)	650,288		
Plant & Equipment		-	1,698,148	(1,041,288)	656,860	-	1,740,407	(1,150,243)	590,164		
Furniture & Fittings		-	196,582	(131,176)	65,406	-	201,956	(153,366)	48,590		
Other assets		62,650	1,015,862	(315,458)	763,054	62,650	1,039,862	(337,876)	764,636		
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		47,150,765	5,228,383	(15,248,072)	37,131,076	46,281,544	6,355,484	(15,873,318)	36,763,710		
		44,684,219	4,381,116	(15,078,057)	33,987,278	47,150,765	5,228,383	(15,248,072)	37,131,076		

Comparatives

This Note continues on the following pages.

DISTRICT COUNCIL OF ELLISTON

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	CARRYING AMOUNT MOVEMENTS DURING YEAR								2014
	\$								\$
	2013 CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation	CARRYING AMOUNT
	New/Upgrade	Renewals							
Land	10,402,209	-	-	-	-	-	-	-	10,402,209
Buildings & Other Structures	2,128,673	-	-	(120,736)	-	-	-	-	2,007,937
Road Infrastructure	22,433,559	-	1,054,987	-	(404,248)	(784,412)	-	-	22,299,886
Other Infrastructure	681,315	-	481	-	-	(31,508)	-	-	650,288
Plant & Equipment	656,860	-	94,707	(22,727)	(138,676)	-	-	-	590,164
Furniture & Fittings	65,406	-	5,374	-	(22,190)	-	-	-	48,590
Other assets	763,054	24,000	-	-	(22,418)	-	-	-	764,636
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	37,131,076	24,000	1,155,549	(22,727)	(304,020)	(815,920)	-	-	36,763,710
Comparatives	33,987,278	125,432	1,058,279	(13,844)	(1,166,874)	-	-	3,458,659	37,131,076

This Note continues on the following pages.

DISTRICT COUNCIL OF ELLISTON

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

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

Valuation of Assets

General Valuation Principles

Accounting procedure: 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, fair value is taken to be the current replacement cost.

Highest and best use: For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land.

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

Transition to AASB 13: 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.

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

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

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets: There is no known market for these assets and they 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.

Land & Land Improvements

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

DISTRICT COUNCIL OF ELLISTON

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

Note 7 – Property, Plant & Equipment (cont)

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 1997 at current replacement cost. Additions are recognised at cost.

Buildings & Other Structures

Buildings and other structures were initially recognised at cost have been subsequently re-valued as at 30 June 2011 by an independent valuer, Liquid Pacific.

Infrastructure

Transportation assets were valued by Council at Fair Value based on a revaluation of Council's sealed, unsealed, pavement, footpath and kerb assets at 1 July 2013 by an independent valuer, Tonkin Consulting. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure was valued by an independent valuer, Liquid Pacific, as at 30 June 2011 at depreciated current replacement cost. All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management system infrastructure was valued by an independent valuer, Liquid Pacific, as at 30 June 2011 at depreciated current replacement cost. All acquisitions made after the respective dates of valuation are recorded at cost.

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

All other assets

These assets are recognised on the cost basis. Library books and other lending materials are capitalised in bulk, and written out when fully depreciated.

DISTRICT COUNCIL OF ELLISTON

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

Note 8 - LIABILITIES

	Notes	2014		2013	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		132,408		68,574	
Payments received in advance		96,338		172,156	
Accrued expenses - employee entitlements		27,840		62,253	
Accrued expenses - other		5,500		36,731	
Other		7,027		6,896	
		<u>269,113</u>	-	<u>346,610</u>	-
PROVISIONS					
Employee entitlements (including oncosts)		88,272	2,598	36,543	8,547
		<u>88,272</u>	<u>2,598</u>	<u>36,543</u>	<u>8,547</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2013	Net Increments (Decrements)	Transfers, Impairments	30/6/2014
Notes	\$	\$	\$	\$
Land	9,581,810			9,581,810
Buildings & Other Structures	2,305,170			2,305,170
Infrastructure				
- Roads	19,972,517		(404,248)	19,568,269
Other Assets	90,027			90,027
TOTAL	31,949,524		(404,248)	31,545,276
<i>Comparatives</i>	<u>29,808,719</u>	<u>3,458,659</u>	<u>(317,854)</u>	<u>31,949,524</u>

OTHER RESERVES	1/7/2013	Transfers to Reserve	Transfers from Reserve	30/6/2014
Plant & machinery replacement	345,431	9,894		355,325
Infrastructure replacement	65,489	1,876		67,365
Land development reserve	38,740	1,110		39,850
Waste management reserve	193,750	5,549		199,299
TV fund	72,362	2,073		74,435
CWMS reserve	119,439	3,524		122,963
Port Kenny Reserve	1,918	55		1,973
TOTAL OTHER RESERVES	837,129	24,080		861,209
<i>Comparatives</i>	<u>807,000</u>	<u>30,129</u>		<u>837,129</u>

PURPOSES OF RESERVES

Asset Revaluation Reserve

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

Plant & machinery replacement

Infrastructure replacement

This reserve records the funded depreciation for future infrastructure replacement.

Land development reserve

This reserve represent surpluses from land sales to fund future land developments.

Waste management reserve

This reserve represents the unspent waste management service fee set aside for future waste management costs.

TV fund

This reserve represents the unspent TV levy.

CWMS reserve

This reserve represents unspent CWMS levy fee set aside for future costs.

Port Kenny water supply

This reserve represents unspent water supply charges set aside for future costs.

DISTRICT COUNCIL OF ELLISTON

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

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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

		2014	2013
CASH & FINANCIAL ASSETS	Notes	\$	\$
Unexpended amounts received from Federal Government		93,668	172,156
CWMS		122,963	119,579
TV Fund		74,435	72,386
Port Kenny Water Supply		1,773	1,922
		<u>292,839</u>	<u>366,043</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2014 \$	2013 \$
Total cash & equivalent assets	5	2,790,653	3,481,299
Balances per Cash Flow Statement		<u>2,790,653</u>	<u>3,481,299</u>

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

Net Surplus (Deficit)		(587,097)	398,285
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		1,119,940	1,166,874
Net increase (decrease) in unpaid employee benefits		11,367	366
Grants for capital acquisitions treated as Investing Activity		(74,983)	(78,987)
Net (Gain) Loss on Disposals		<u>(7,384)</u>	<u>(701)</u>
		461,843	1,485,837
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(32,663)	79,897
Net (increase) decrease in inventories		(8,640)	33,803
Net increase (decrease) in trade & other payables		<u>(116,712)</u>	<u>(62,604)</u>
Net Cash provided by (or used in) operations		<u>303,828</u>	<u>1,536,933</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES											
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)		
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2014	2013	2014	2013	
	2014	2013	2014	2013	2014	2013	\$	\$	\$	\$	
	\$	\$	\$	\$	\$	\$					
Business Undertakings	94,497	135,672	33,821	59,507	60,676	76,165			331,517	340,036	
Community Services	12,139	15,389	116,916	202,056	(104,777)	(186,667)	5,000	9,407	375,469	385,118	
Culture		2,407	26,612	18,505	(26,612)	(16,098)			-	-	
Economic Development	10,000	1,838	49,407	23,005	(39,407)	(21,167)			17,919	18,379	
Environment	295,520	243,480	429,557	614,656	(134,037)	(371,176)	17,235		25,630	26,289	
Recreation	35,617	13,570	108,312	241,608	(72,695)	(228,038)			475,251	487,464	
Regulatory Services	23,178	25,454	37,262	58,178	(14,084)	(32,724)			-	-	
Transport & Communication	642,327	1,150,386	1,301,575	1,315,257	(659,248)	(164,871)	642,288	1,148,005	21,429,053	21,979,728	
Unclassified Activities	506,030	858,623	416,298	522,428	89,732	336,195	435,015	811,906	524,815	538,301	
Council Administration	1,755,541	1,701,155	1,524,553	774,177	230,988	926,978			16,632,038	17,059,439	
TOTALS	3,374,849	4,147,974	4,044,313	3,829,377	(669,464)	318,597	1,099,538	1,969,318	39,811,692	40,834,754	

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

DISTRICT COUNCIL OF ELLISTON

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

Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Business Undertakings

Caravan Parks, Gravel Pits/Quarries, Development of Land for Resale, Private Works, CWMS and Water Supply – Domestic.

Community Services

Public Order and Safety, Emergency Services, Other Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Community Support, Children and Youth Services, community Assistance, Community Transport, Community Amenities, Doctor's vehicle, Cemeteries / Crematoria, Public Conveniences, Car Parking – non-fee-paying and Telecommunications Networks.

Culture

Library Services, Cultural Services – CWA Building and Other Cultural Services.

Economic Development

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

Environment

Agricultural Services, Waste Management, Domestic Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management, Other Environment, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

Recreation

Jetties, Boat Ramp, Other Marine Facilities, Parks and Gardens, Sports Facilities – Outdoor, Swimming Centres – Outdoor, Camp Grounds and Other Recreation.

Regulatory Services

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

Transport

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

Council Administration

Governance, Administration n.e.c., Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Housing for Council Employees, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Risk Management, Work Health and Safety, Customer Service, Other Support Services, Revenues, LGGC – General Purpose, and Separate and Special Rates.

DISTRICT COUNCIL OF ELLISTON

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

Note 13 - 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: Carried at lower of cost and net realisable value; interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 2.5% and 3.6% (2013: 3% to 3.75%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
<p>Receivables - Rates & Associated Charges (including legals & penalties for late payment)</p> <p>Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.</p>	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land, arrears attract monthly interest of .66% and quarterly interest of 2% (2013: monthly interest of .7% and quarterly interest of 2%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

DISTRICT COUNCIL OF ELLISTON

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

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2014	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	2,790,653			2,790,653	2,790,653
Receivables	225,993	17,092		243,085	108,475
Total	3,016,646	17,092	-	3,033,738	2,899,128
Financial Liabilities					
Payables	235,773	-	-	235,773	235,773
Total	235,773	-	-	235,773	235,773
2013	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	3,481,299			3,481,299	3,481,299
Receivables	169,493	23,641		193,134	91,353
Total	3,650,792	23,641	-	3,674,433	3,572,652
Financial Liabilities					
Payables	247,626	-	-	247,626	247,626
Total	247,626	-	-	247,626	247,626

Net Fair Value

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

Risk Exposures

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

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

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

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

DISTRICT COUNCIL OF ELLISTON

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

Note 14 - COMMITMENTS FOR EXPENDITURE

	2014	2013
<u>Notes</u>	\$	\$
Other Expenditure Commitments		
Other non-capital expenditure commitments		
Audit services	22,000	16,000
Remuneration contracts	<u>977,602</u>	<u>480,215</u>
	<u>999,602</u>	<u>496,215</u>
These expenditures are payable:		
Not later than one year	301,738	177,488
Later than one year and not later than 5 years	637,239	318,727
Later than 5 years	<u>60,625</u>	
Minimum lease payments	999,602	496,215
Less: future finance charges		
Net Lease Liability	<u>999,602</u>	<u>496,215</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 15 - FINANCIAL INDICATORS

	2014	2013	2012
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These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

Operating Surplus Ratio

<u>Operating Surplus</u>	(34%)	20%	21%
Rates - general & other less NRM levy			

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

Adjusted Operating Surplus Ratio

	(3%)	20%	3%
--	------	-----	----

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the disclosed operating result for each year.

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	(81%)	(83%)	(76%)
Total Operating Revenue less NRM levy			

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

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	94%	85%	69%
Infrastructure & Asset Management Plan required expenditure	*		

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

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

DISTRICT COUNCIL OF ELLISTON

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

Note 16 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

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

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

	2014 \$	2013 \$
Income	3,374,849	4,147,974
less Expenses	<u>4,044,313</u>	<u>3,829,377</u>
Operating Surplus / (Deficit)	(669,464)	318,597
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	1,081,921	1,003,546
Depreciation, Amortisation and Impairment	(1,119,940)	(1,166,874)
Proceeds from Sale of Replaced Assets	<u>(30,111)</u>	<u>(14,545)</u>
	(68,130)	(177,873)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	24,000	125,432
Amounts received specifically for New and Upgraded Assets	(74,983)	(78,937)
	<u>(50,983)</u>	<u>46,495</u>
Net Lending / (Borrowing) for Financial Year	<u>(550,351)</u>	<u>449,975</u>

DISTRICT COUNCIL OF ELLISTON

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

Note 17 – SUPERANNUATION

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

Marketlink (Accumulation Fund) Members

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

Salarylink (Defined Benefit 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 Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2012/13) of "superannuation" salary.

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

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

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

Contributions to Other Superannuation Schemes

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

DISTRICT COUNCIL OF ELLISTON

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

Note 18 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

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

LAND UNDER ROADS

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

At reporting date, Council controlled 1,148km of road reserves of average width 20 metres.

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

We have audited the accompanying financial report of the District Council of Elliston which comprises the statement of financial position as at 30 June 2014 and the statement of comprehensive income, statement of changes in equity, statement of cash flows, summary of significant accounting policies, other explanatory notes and the certification of financial statement for the year ended 30 June 2014.

Chief Executive Officer's Responsibility for the Financial Report

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted the audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the District Council of Elliston as of 30 June 2014, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011.

IAN G MC DONALD FCA
CHARTERED ACCOUNTANT
REGISTERED COMPANY AUDITOR

Liability limited by a scheme approved under Professional Standards Legislation

Signed 26 day November of 2014, at Adelaide, South Australia

DISTRICT COUNCIL OF ELLISTON

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014**

CERTIFICATION OF AUDITOR INDEPENDENCE

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

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



George Karzis
(ACTING) CHIEF EXECUTIVE OFFICER



Peter Hitchcock
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 24 November 2014

DISTRICT COUNCIL OF ELLISTON
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

STATEMENT BY AUDITOR

We confirm that, for the audit of the financial statements of District Council of Elliston for the year ended 30 June 2014, we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



Ian G McDonald FCA

Dated this 16 day of October 2014



EPLGA

ANNUAL REPORT 2013/14



Re-developed Whyalla Airport
Photography courtesy City Council of Whyalla



THE PRESIDENTS REPORT

EPLGA continues to actively represent member councils, undertake programs and reform that assist local government and provide a forum in which to engage with each other and wider stakeholders.

In reviewing 2013/14, I am pleased to record that the Outreach Services Pilot Program has proven successful providing Eyre Peninsula councils with the opportunity to take part in regional training thereby reducing costs, and to participate in regional strategies/programs that would not have otherwise been available. EO Tony Irvine is to be commended for his drive and enthusiasm to ensure this region took full advantage of this LGA funded pilot program.

As part of this initiative and flow-on from the successful Mining Round Table held in Port Lincoln in November the establishment of a Regional Mining Taskforce is now being pursued.

Other projects undertaken to assist member councils include developing a Regional Road Database; Infrastructure & Asset Management Plan and Long Term Financial Plans regional audit; Procurement Road Map Project; investigating and forming a CWMS Regional Users Group and developing an EP Waste Management strategy.

As the regional representative body EPLGA provided significant input to the LGA's election strategy documents and campaigns for both the Federal and State Government elections, particularly the "Making Regions Matter" platform. Tony and I also met and lobbied politicians when and wherever possible, including travelling to Canberra with the LGA Group in March 2014 where Supplementary Road Funding was a hot topic.

The issue of Councils providing resources to emergency response operations (particularly bushfires) has been long and difficult. However it is a crucial issue and after a concerted effort by the LGA, SAFECOM and LGRS the 'i-Responda' framework was developed and in December the three lower EP Councils participated in a pilot program aimed at ensuring Council's response to emergency situations is undertaken safely and in the best interest of the community. I commend DCLEP CEO Rod Pearson and Tony for their commitment to try and resolve this critical issue. Further work is still being finalised to ensure the State Government meets the mutually agreed obligations in such emergency situations.

Our partnership with RDAWEP has continued to strengthen and during the year an internal review, as requested by EP Councils, was undertaken by Dr Kristine Peters. The EP Regional Statement being developed by RDA will be an important document for all EP Councils, assisting with lobbying and future funding for regional projects and initiatives in addition to individual council projects.

Two other activities EPLGA is involved in are the Eyre Peninsula Integrated Climate Change Adaptation (EPICCA) Group and Zone Emergency Management Committee (ZEMC).

The role of a ZEMC is to work within the Zone Emergency Risk Management Framework to identify, analyse and evaluate emergency risks that could impact the Zone. The Eyre and Western Zone ZEMC, comprising local government representatives SAPOL, SAFECOM, CFS, SES and State Recovery Office reconvened in July and initially met monthly to gain momentum. Seven meetings and 3 Risk Assessment and 3 Treatment Option Workshops were held in 2013/14. Following on from this work, ZEMC in partnership with EPLGA is purchasing risk management software and engaging an experienced consultant to work with member councils to undertake emergency management risk assessment for this region. This will be funded from Natural Disaster Mitigation grant funding and EPLGA and council funds secured in 2012.

EPICCA's Regional Climate Change Adaptation Plan for Eyre Peninsula was released at the SA Climate Change Adaptation Showcase in February. The innovative EP Regional Adaptation Plan provides a practical benchmark-planning process to assist decision-makers, peak bodies and leaders in our communities to begin the process of addressing the climate challenges that science tells us we are facing. It was interesting to be involved in the process and to see the commitment from all involved, including 'non-believers' through the series of workshops.

The Agrifoods Skills Australia Regional Skills Initiatives supported by the EPLGA with the Executive Officer sitting on the Advisory Committee was a positive for the region. The 'Work Place of Choice' and 'Tuna to Grain Cross-Industry Skilling' Pilot projects were well received. While the funded program has finished it has transferred to RDA.

Local government will continue to discuss and debate the Local Government Expert Panel's paper "The Council of the Future" and its conclusion that future operations of councils will be very different from today. Likewise the State Government's Expert Panel's "Our Ideas for Reform" paper will be discussed and debated during the coming year.

Locally a Boundary Adjustment between Cleve and Franklin Harbour councils was instigated during the year and a Public Initiated Boundary Adjustment submission presented to the City of Port Lincoln and Lower Eyre Peninsula councils.

It would therefore appear that local government is indeed facing a time of change and I believe the EPLGA will play an important role in providing support for EP councils and its community and in providing a voice at the LGA and at State and Federal Government levels.

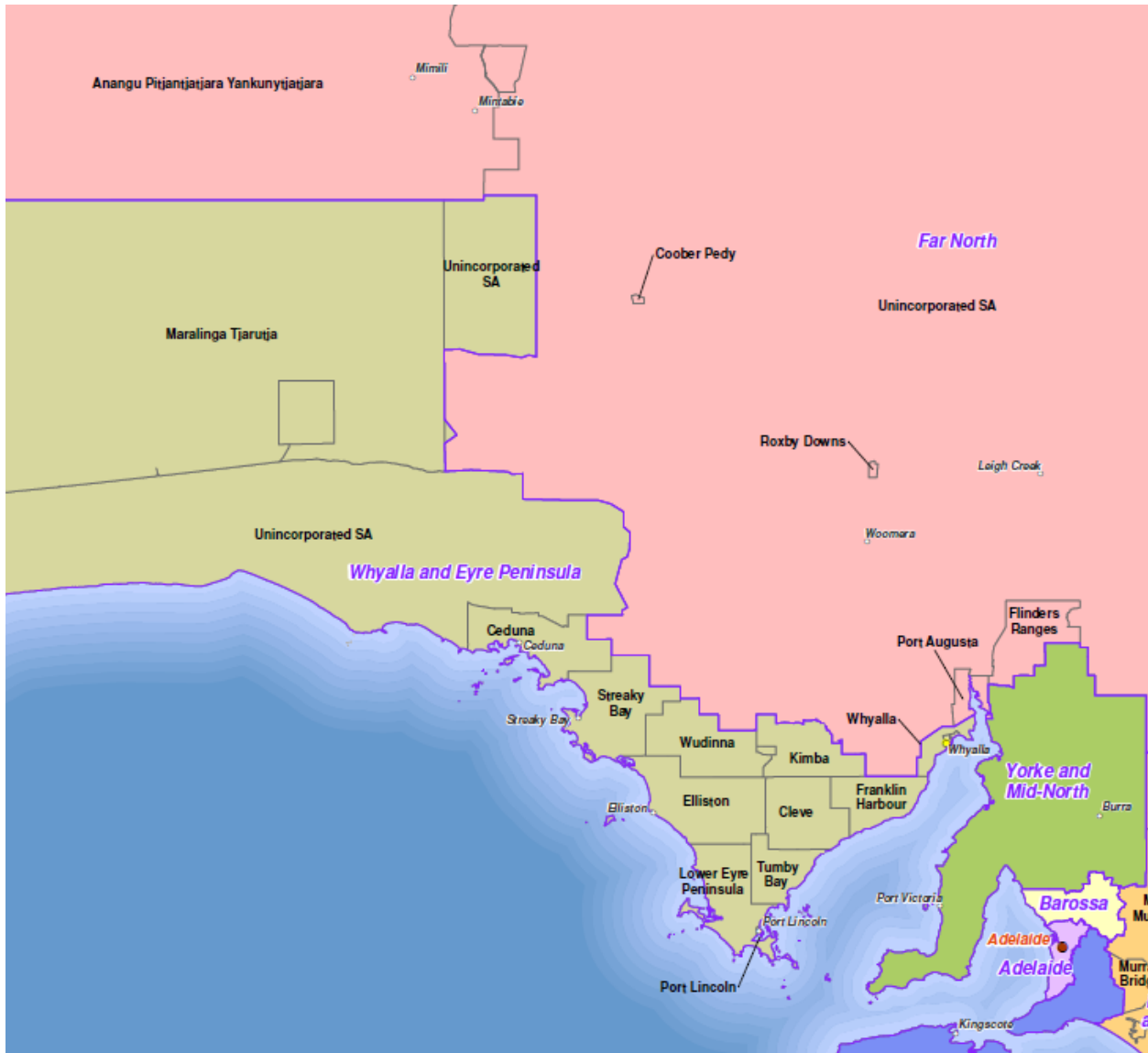
Member councils therefore need to seriously think about the future role of the Executive Officer, and in parallel consider whether continued support for the Outreach Services program should continue and if so, how it will be funded.

I thank member councils for their support and participation during the year and I thank EO Tony Irvine for his support, professionalism and endless positiveness.

MAYOR JULIE LOW

THE REGION

The area is a coastal and rural environment with approximately one third of South Australia's coastline stretching over 2,000 kilometres. The landscape features a rugged and relatively undeveloped coastline, particularly on the western side of the Eyre Peninsula. The coastal and marine environment includes marine and conservation parks and encompasses approximately 250 islands ranging in size from about 180 to 40,000 square metres.



A large proportion of the region has been cleared for agricultural production; but significant areas of native vegetation remain. Vegetation clearance for agricultural purposes ranges from 14% in the far west to 72% in the south. About 15% of the region's grazing area is covered with scattered vegetation.

Population and Local Government

The region has eleven Local Government Authorities (LGA's) as well as remote unincorporated areas of the state serviced by the Outback Communities Authority.

In 2011 the regional population of 55,651 comprised 3.5% of the South Australian population. The eleven LGA's collectively occupy 43,778.6km². Most of the population (64.1% or 36,174 people) lives in the regional cities of Whyalla and Port Lincoln.

LOCAL GOVERNMENT AREA	LAND AREA		POPULATION	
	Km ²	% of Region	No.	% of Region
Whyalla	1,032.5	0.44	22,088	39.16
Port Lincoln	30.4	0.01	14,086	24.98
Ceduna	5,427.1	2.33	3,480	6.17
Cleve	4,506.7	1.94	1,733	3.07
Elliston	6,500.0	2.79	1,046	1.85
Franklin Harbour	3,283.0	1.41	1,273	2.26
Kimba	3,986.2	1.71	1,088	1.93
Lower Eyre Peninsula	4,771.0	2.05	4,916	8.72
Streaky Bay	6,232.0	2.68	2,102	3.73
Tumby Bay	2,615.9	1.12	2,586	4.58
Wudinna	5,393.8	2.32	1,253	2.22
Collective Local Government (11 LGA's)	43,778.6	18.8	55,651	98.7

RDAWP Local Government Land Areas and Population 2011.

It should be noted that the land areas and populations of Cleve and Franklin Harbour changed on 1st July 2014 due to an adjustment of the Council boundaries. The Boundary Adjustment Facilitation Panel supported the transfer of 492km² of land from Franklin Harbour to Cleve to address the concerns of residents living in the Hundreds of Mangalo and Heggaton. Approximately 62 residents live in the area.

In 2011 the region had 3,225 Aboriginal people comprising 5.7% of the regional population. This is notably above the proportions for South Australia (1.9%) and Australia (2.6%). 80% of the region's Aboriginal people (2,572) live in the local government areas of Whyalla, Port Lincoln and Ceduna. The greatest concentration is in Ceduna, where Aboriginal people comprise 24.9% of the Council population.

Since 2001, the regional population has grown by 4.5% but this is not consistent across the region as a whole. The District Councils of Elliston, Wudinna and Kimba experienced population decline of -15.2%, -13.7% and -8.5% respectively, but the District Council of Lower Eyre Peninsula experienced growth of 17.2%. Population growth was also experienced in the coastal Councils of Streaky Bay, Tumby Bay and Port Lincoln.

The demographic change is caused by several factors, with the desire for a sea change lifestyle being a key reason. Streaky Bay and Tumby Bay are very desirable coastal locations and new estate developments

have been established to cater for growing housing demand, notably by retirees from the agricultural sector. Population growth in the District Council of Lower Eyre Peninsula stems from several locational and lifestyle advantages including numerous coastal townships and proximity to the regional city of Port Lincoln and Port Lincoln Airport.

Kimba and Wudinna are the only Councils without a coastline and this impacts their appeal and tourism development potential.

Population Ageing

The regional population is ageing. In 2011, the region's median age was 39, an increase from 38 in 2006. People aged 65 years and over comprised 15.5% of the regional population, which is above the 14.0% rate for Australia, but below the rate of 16.2% for South Australia.

PEOPLE 65 YEARS OF AGE AND OVER	Region	%	South Australia	%	Australia	%
2006 ABS Census	7,758	14.3	233,127	15.4	2,644,374	13.3
2006 Median Age	38		39		37	
2011 ABS Census	8,727	15.5	257,551	16.2	3,012,289	14.0
2011 Median Age	39		39		37	

People 65 Years of Age and Over. (ABS Census 2006 & 2011).

The population 65 years and over grew by 1.2% from 2006, exceeding the growth rate of 0.8% for South Australia and 0.7% for Australia.

Almost half of the regional population (49.6%) was 40 years of age and over in 2011 with 21.5% over 60 years of age. The District Council of Tumby Bay has the oldest population profile with 60.1% over the age of 40 and 32.1% over 60 years of age. Similar results for the over 40 age sector were recorded for Kimba (55.9%), Franklin Harbour (55.7%), Cleve (55.3%) and Elliston (54.5%).

Conversely, young people 15-24 years of age comprise the smallest sector of the regional population at 12.1% and this is consistent in all local government areas.

Tumby Bay (8.0%), Kimba (8.5%), Cleve (9.1%), Wudinna (9.3%) and Streaky Bay (9.9%) have the smallest proportion of 15-24 year olds, whereas Whyalla (13.4%), Port Lincoln (13.2%) and Ceduna (12.4%) are the only areas where the 15-24 aged sector exceeds the regional average.

Projections indicate that South Australia's population aged 65 and over will increase to 22.6% in 2020 and to 25.7% by 2030. It is also known that approximately 30% of young people leave the region each year for employment and study in metropolitan Adelaide. The combination of a growing aged sector and diminishing numbers of young people is not sustainable and has serious implications for future workforce provision.

Retirements will diminish the labour force of skilled and experienced labour and create employment openings for young people. It is estimated that over 11,000 workers (about 40% of the regional workforce) will leave their jobs within 20 years if they all retire at 65 years of age. But there will be limited choice with the provision of a capable replacement pool.

The regional population is too small to provide the workforce for anticipated future development needs, with the consequence that approximately 3,800 workers will need to be recruited from elsewhere by 2020.

Industries and Services Overview

The region is well positioned to facilitate and support a broad range of significant developments. The economy is extremely diverse with world-leading companies in agriculture, manufacturing, fishing and aquaculture, and fast growing mining and tourism industries.

Based on employment, the main industries are primary production (agriculture, fishing and aquaculture), health and social care, manufacturing, retail trade, education and training, and construction. Tourism and mining are the region's fastest emerging industries and have significant potential for future growth.

INDUSTRY	EMPLOYMENT 2001	EMPLOYMENT 2011	% CHANGE
Agriculture, Fishing and Forestry	4,012	3,338	-16.8
Health Care and Social Assistance	2,111	2,996	29.5
Manufacturing	2,786	2,890	3.6
Retail Trade	2,481	2,669	7.0
Education and Training	1,764	1,967	10.3
Construction	1,340	1,813	26.1
Accommodation and Food Services	1,356	1,595	15.0
Transport, Postal and Warehousing	999	1,260	20.7
Public Administration and Safety	1,152	1,172	1.7
Mining	199	957	79.2

RDAWEP Top Ten Industries by Employment, 2011. (ABS Census 2011 from www.myregion.gov.au).

Primary production (agriculture, fishing and aquaculture) is the largest industry employing 3,338 people or 13.1% of the regional workforce. Employment in primary production declined by 16.8% during the last decade (from 4,012 people in 2001 to 3,338 in 2011), largely due to the rationalisation of farming properties which reduced employment opportunities in the agricultural sector. Primary production is nevertheless the main industry in the region and is integral to business growth and development in other industry sectors.

The health care and social assistance sector is the largest employer in South Australia and second largest industry in the region. In 2011 the health and social care sector employed 2,996 people or 11.8% of the regional workforce. Most employees are based in Whyalla (1,153 people or about 38.5% of the health care workforce), with 790 employees (26.4% of the workforce) based in Port Lincoln. This is a fast growing industry with a 29.5% growth in employment from 2,111 people in 2001 to 2,996 in 2011 and business growth of 36.9% since 2007 (from 122 businesses in 2007 to 167 in 2011).

Agriculture, fishing and aquaculture are key economic and employment generating industries. But if they are identified as separate industries - rather than being amalgamated as primary production activity - the health care and social assistance sector would become the region's main industry by employment. This can largely be attributed to the ageing of the regional population.

Manufacturing and resource processing is the region's third largest industry employing 2,890 people or 11.3% of the regional workforce. The manufacturing sector has experienced modest employment growth of 3.6% since 2001 but numerous growth opportunities are pending, particularly at Whyalla where several new industrial initiatives are either in progress or planned.

The retail trade industry is an integral part of all townships and has experienced steady employment growth of 7.0% since 2001. Collectively, the retail sector is the region's fourth largest industry employing 2,669 people in 2011 or 10.5% of the regional workforce. Most employees are based in Whyalla (1,016 people, 37.8% of the retail workforce) and Port Lincoln (840 people, 31.2% of the workforce).

The region has a diverse range of educational facilities including specialised training centres in the secondary and tertiary education sectors. The education and training industry employs 1,967 people or 7.7% of the regional workforce. Most employees are based in Whyalla (739 people) and Port Lincoln (513 people), collectively comprising 65% of the education and training workforce.

The construction industry is the sixth largest regional industry by employment and has grown by 26.1% from 1,340 employees in 2001 to 1,813 in 2011.

The region's mining sector is small in comparison with other industries. In 2011 mining employed 954 people or 3.8% of the regional workforce. Most of the mining employees were based in Whyalla (611), Port Lincoln (91), Franklin Harbour (85) and Ceduna (56). The relatively large number of employees in the District Council of Franklin Harbour is due to people living in Cowell and doing drive-in-drive-out to Arrium's Iron Duke Mine, approximately 50km from both Cowell and Whyalla.

But mining is the region's fastest growing industry with a substantial 79.2% growth in employment during 2001-2011. This growth is largely the result of unprecedented mining exploration activity in the Lower Eyre Peninsula, which has large resources of iron ore, graphite and kaolin along with uranium and gold prospects

Tourism is also a fast growing industry with considerable development potential due to the region's rapidly growing reputation for unique and diverse nature based visitor experiences and premium seafood products. Tourism is becoming an important sector for the regional economy with visitor expenditure exceeding \$277 million in 2011-2012 from 700 businesses. The region is being positioned as a culinary tourism destination.

A Region of Quality

Diversity is one of the region's greatest attributes and underpins its comparative advantage and competitiveness. Industrial diversity is important for economic growth and sustainability because it gives the region resilience through not being reliant on a single industry or single product for its prosperity.

But the concept of quality is emerging as a distinctive regional attribute. The region is renowned for its premium seafood, high quality grains and the pristine, unblemished nature of its landscapes, seascapes and conservation parks. The region is being lauded for high quality and different nature based tourism experiences – such as swimming with tuna, cage diving with Great White sharks and whale watching at the Head of the Bight. But other qualitative characteristics are becoming apparent as distinguishing features.

- **High quality magnetite** – the magnetite from Iron Road's Central Eyre Iron Project at Warrambo is high quality at 67% iron with few impurities. This is of considerable interest in China because the ore does not need pelletisation which expedites the smelting process and reduces environmental emissions. The magnetite is expected to attract a quality premium differential of \$US18 per tonne over the market price for iron ore and this expectation is included in Iron Road's Definitive Feasibility Study for the project.
- **High quality graphite** – the graphite mines at Uley (Valence Industries), Kookaburra Gully (Lincoln Minerals), Campoona and Waddikee (Archer Exploration) are reputed to contain the largest flake and best quality deposits in the world with the capacity for manufacturing graphene products which have increasing world demand for advanced technological and medical applications.
- **High quality kaolin** – Minotaur Exploration's Carey's Well kaolin mine near Poochera is reputed to contain the brightest and whitest kaolin in the world (at ISO brightness of 80) and is much sought after for high quality paints, inks, plastics and ceramic finishes.

- **High quality zircon** - Iluka Resources' Jacinth Ambrosia mine north of Yalata is arguably the largest deposit of the highest quality zircon the world. It is also anticipated that other heavy mineral sand deposits in the far west of the region are likely to produce similar quality product.

These qualitative attributes are complemented with escalating growth of innovative approaches and processes to economic and product development.

Collaborative problem solving approaches to economic development have been adopted region wide through industry based Target Teams and other stakeholder engagement. The region's educational institutions are pursuing research for sustainable farming and renewable technologies. Pilot and demonstration projects are being progressed for the production of biofuels from algae and other feed stocks and the application of wind hydro technology for power generation. Best practice environmentally sustainable production technologies are being pursued by the region's aquaculture industry and world class, advanced technology graphene and interpretive initiatives are being progressed to tap new and emerging international markets.

Coupled with significant and growing capex investment in recent years and yet to be realised export potential in the resources sector, the region is well positioned for long term, sustainable economic growth into the future.

The region's doors are not only open for business but they are marked by branding in big letters stating 'enter here if you want the best'.

MEMBER COUNCILS 2013 / 14

- City of Whyalla
- City of Port Lincoln
- DC Ceduna
- DC Cleve
- DC Elliston
- DC Franklin Harbour
- DC Kimba
- DC Lower Eyre Peninsula
- DC Streaky Bay
- DC Tumby Bay
- Wudinna DC

THE REPRESENTATIVES

Executive

PRESIDENT: Mayor Julie Low (DC Lower Eyre Peninsula)
DEPUTY PRESIDENT: Mayor Eddie Elleway (DC Franklin Harbour.)
MAYOR: Mayor John Schaefer (DC Kimba)
CHIEF EXECUTIVE OFFICER: Mr Rob Donaldson

The President and Deputy President are our nominated representatives to SAROC and State Executive Forums. The Executive Officer is also a SAROC delegate.

Other Regional:

RDA Whyalla and EP BOARD:

Mayor Jim Pollock (City of Whyalla) (Presiding member)
Cr Jack Velthuisen (City of Whyalla)
Cr Colin Carter (City of Whyalla)
Mayor Allan Suter (DC Ceduna)
Cr Bryan Trigg (DC Cleve)
Cr Malcolm Catt (City of Pt Lincoln)

EYRE PENINSULA NATURAL RESOURCES MANAGEMENT BOARD

Mayor Laurie Collins (District Council of Tumby Bay)

ZONE EMERGENCY MANAGEMENT COMMITTEE

President Julie Low (Presiding Member)
Executive Officer – Tony Irvine
Chief Executive Officer – Rod Pearson
General Manager Operations – Grant Drummond
Works Manager – Ivan Noble

UPPER SPENCER GULF WORKING GROUP

Executive Officer – Tony Irvine

AGRIFOODS ADVISORY COMMITTEE

Executive Officer – Tony Irvine

EYRE PENINSULA INTEGRATED CLIMATE CHANGE ADAPTATION COMMITTEE

President Julie Low
Executive Officer – Tony Irvine

EPLGA Board Members 2013/14

Under the terms of our Charter, the following Board appointments were current as at June 30th, 2014.

MEMBER COUNCIL	BOARD MEMBER	DEPUTY BOARD MEMBER
Ceduna	Allan Suter (Mayor)	Lynton Brown (D/Mayor)
Cleve	Roger Nield (Mayor)	Jodie Jones (D/Mayor)
Elliston	Pat Clark (Chairperson)	Kym Callaghan (Dep Chair)
Franklin Harbour	Eddie Elleway (Mayor)	Gavin Jackson (D/Mayor)
Kimba	John Schaefer (Mayor)	Dean Johnson (D/Mayor)
Lower Eyre Peninsula	Julie Low (Mayor)	Paul Pedler (D/Mayor)
Port Lincoln	Bruce Green (Mayor)	Neville Starke (D/Mayor))
Streaky Bay	Rob Stephens (Mayor)	Dean Whitford (D/Mayor)
Tumby Bay	Laurie Collins (Mayor)	Murray Mason (D/Mayor)
Whyalla	Jim Pollock (Mayor)	Merton Hodge (Cr)
Wudinna	Eleanor Scholz (Chair)	Neville Scholz(D/Chair)

ANNUAL MEETING SCHEDULE

A highlight on the EPLGA calendar is the Annual Conference, hosted each year by a member Council. To assist in host Council planning, the following schedule is included:

2015 City of Whyalla
2016 DC Ceduna
2017 DC Lower Eyre Peninsula
2018 City of Port Lincoln
2019 DC Kimba
2020 Wudinna DC
2021 DC Franklin Harbour
2022 DC Cleve
2023 DC Streaky Bay
2024 DC Elliston
2025 DC Tumby Bay

The 2015 conference will be held on Monday 23rd February 2015 at Whyalla.

REPORT OF ACTIVITIES 2013/14

Our core activities always include reacting to legislation and policy changes that are likely to negatively affect our region. This year ongoing concerns and/or participation have been with the following matters:

- State and Federal Marine Parks
- Natural Resources Management – joint partnership planning, delivery of services
- Regional Development Australia Funding & organisation review
- Regional Recognition/Lobbying – Regions Matter Strategy
- Mining & Impacts – development of a Taskforce
- Emergency Management – regional planning & Council planning
- Regional Job creation & co-ordination (Agrifoods)
- Development Act Reform
- Coastal Access issues
- Independent Commission Against Crime implantation – public integrity
- Various roads and waste issues – regional strategy & Zero Waste cessation
- Regional Strategy for LGA
- The Councils of the Future
- Birdseye Memorial relocation
- Television reception & servicing – interstate services
- Mobile Phone hotspots
- Water Planning – state of the resource etc.
- Regional planning – RDAWEP, NRM, DPTI etc.
- Financial Assistance & Supplementary Road Funding reductions/freezing impacts
- Health – state of the regions health services report
- EPLGA Charter Review
- CFS/MFS Workplace Safety – same conditions for both volunteers & paid workers
- Outreach Services:
 - Regional Procurement
 - CEO's Committee established
 - CWMS Users Group established
 - Regional Training & Seminars delivery
 - Shared Services – EBA & Award consolidation – LEP Councils
 - Assets Management & Long Term Financial Planning
 - Internal Controls Group establishment
- Bushfires – Councils responses & liabilities
- Native Vegetation – Offsets issues
- Recognition in the Australian Constitution
- Regional Climate Change Adaptation Plan finalisation
- EP Grain Growers Funds – surplus re-distribution
- Tourism – restructure to sub-regional groups, Food & Tourism prospectus, RV & Caravan Strategy
- Speed Limits review – reduction from 110kph to 100kph
- Aged Care at the local council level – Councils role
- EPLGA Subscription review
- Media Policy development – meeting wraps to Councils & media rather than newsletter
- Regional Public Health Plans – a legislative requirement – sub regional approach
- Road Train access to non-commodity routes & NHVR impacts on farm machinery movements
- Oil & gas exploration in the Great Australian Bight
- Port Lincoln Airport opening
- Work Health & Safety & Injury Management system implemented for EPLGA
- Reduction in rail services – seeking stakeholder meetings
- Joint submissions with RDAWEP on various issues

PROJECTS 2013/14

Regional Training

The LGA and other training providers have delivered many more training sessions in the region to reduce costs for Councils. Training undertaken in the last year includes:

Council Development Panels
Cemeteries Management
Code of Conduct
Intro to Local Government
Leadership
Workplace Health & Safety
Rating
Records Management
Volunteering
Various legal seminars on different issues such as planning & development, ICAC etc.

The LGA has developed a training program relevant to the region & this will be further enhanced with Councils submitting training plans to the EPLGA for co-ordination or the LGA undertakes a regional training needs analysis.

TAFE & RDAWEP have been working closely with the EPLGA to delivery more civil training on site at Councils.

Emergency Planning

Funding is continuing to be held over until regional emergency planning is completed then individual Council Emergency Plans will be reviewed or renewed with the funding to align with the regional planning.

The regional zone emergency planning requires the following:

- EPLGA to engage with the ZEMC (Zone Emergency Management Committee) to avoid duplication of work
- The project used the ZONE Risk assessments as a basis for work performed to date and in the future
- a commitment to compliance for the zone plans with NERAG and ISO310000. The Project engaged and incorporated NERAG (National Emergency Risk Management Guideline) components
- CERMS (Council Emergency Management Plans) are to be NERAG Compliant..

A series of bushfire risk assessment workshops were held during August and Sept 2013 to assist the Councils and other regional stakeholders in their emergency planning.

Regional Collaboration

A "Regions Matter Too" strategy was developed for the March 2014 State Election. Rural and Regional Councils from across South Australia, sought the following commitments from all political parties and independent candidates as part of the March 2014 state election:

1. GROWING REGIONAL CENTRES

Commitment to 30% of South Australia's population to be based outside Greater Adelaide, with a particular focus on growing our regional service centres.

2. STRENGTHENING REGIONAL INVESTMENT

Commitment to a 'Regional Investment' program to support infrastructure development in regional South Australia.

3. RECONNECTING WITH REGIONAL COMMUNITIES

Commitment to at least 30% of the State Government public service to be based in regional South Australia.

This was the outcome of a regional forum held between the Central & EP LGA's. The success can only be measured by the support received from the Department of State Development & other State agencies to allow the targets to be met.

Outreach Services Pilot Program

The pilot program includes:

- Assisting with the preparation of LGA policy on regional development;
- Preparing a profile of the region with a focus on what it contributes to the economic growth of the State & nationally;
- Governance needs of each council;
- Legislative compliance in assets management and long term financial planning;
- Skills assessment in areas such as IT, planning, environmental health etc and develop a regional training plan;
- Short term employment requirements rather than full time employees;
- Shared services arrangements to assist in meeting the short/long term skills needs and other needs;
- Opportunities arising from the Local Excellence Program – trialling new ways of doing things. Eg. improving performance, systems & processes that sustain good performance, raising the image of Local Government, effective engagement across the region & State as a whole (i.e. political clout) with other spheres of government, seeking financial arrangements to support the programs required;
- Positioning Local Government & the region for the State 2014 elections by gathering evidence of the needs of the sector and possible solutions that could be an “ask” in an election environment;
- Identify any ‘centre of excellence’ that may exist within the region;
- Developing CEO, Works Manager & any other forums to assist in the sharing of resources and information – save the same thing being undertaken 11 times;
- Managing local issues for the member councils – advocacy, lobbying, problem solving etc.

The LGA and the EPLGA centred the two year pilot on:

- Preserving the current important role of the Executive Officer of the EPLGA;
- Enhancing the connections between the work of the EPLGA and that of the LGA where it is mutually beneficial to do so;
- Enhancing the services of the LGA to be an ‘outreach’ service but targeted to needs identified by the EPLGA/ Region;
- Appointment of a resource that is made jointly between the LGA & EPLGA to deliver on the ground services to Councils;
- Agreeing on a program of works/activity and the funding model required;
- Address other issues deemed important to the success of the pilot.

Many regional projects have commenced or been completed which addresses the requirements of the pilot.

EPLGA CEO COMMITTEE

On 28th June 2013, the Eyre Peninsula Local Government Association (EPLGA) established a Chief Executive Officer Committee to ‘meet from time to time to consider issues of relevance to Eyre Peninsula Councils, and to provide advice to the EPLGA Board on those issues’.

The Committee's role is:-

1. To provide high level strategic advice to the EPLGA about its identified priority issues.
2. To arrange and coordinate reports to the EPLGA on those priority issues.

3. To initiate reports and advice to the EPLGA on other matters identified by the Committee to be of strategic regional significance.
4. To assist and advise the EPLGA about the development and implementation of its Management Plan and other plans.
5. To share operational information and expertise amongst the committee members and other agency Chief Executive Officers.

The membership of the Committee comprises the Chief Executive Officers of all Councils which are members of the EPLGA. Other regional CEO's & the Regional Risk Coordinators are invited to the meetings. These meetings allow the sharing of information and expertise which mutually benefits clusters of councils or the region as a whole. The agendas reflect the EPLGA agendas to a degree with other day to day operational matters included which are in the domain of the role of a CEO.

Other working groups have been established to assist with specific regional tasks or take advantage of opportunities eg. CWMS users, WHS Groups, Roads Working Party & Internal Controls Development Group.

Regional Roads Priorities

At the June 2013 EPLGA Board Meeting a resolution was passed to undertake a review of the criteria used to prioritise regional roads to be submitted for funding from the Special Local Roads Funding Program.

A discussion paper was released to seek support for the methodology to be used in the review. Stakeholders were in agreement with the discussion paper and from this the project was scoped for the consultants to carry out the work required. A desired outcome is a roads database for the entire region.

SMEC are nearing the end of this project which has taken considerable effort in the collection of road data. Once the database is complete then the next phase is a regional transport strategy.

EP Integrated Climate Change Adaptation

The Executive Officer and President sit at the Eyre Peninsula Integrated Climate Change Adaptation (EPICCA) Committee table.

Under the State Climate Change Adaptation Framework, areas across the State, including the Eyre Peninsula, are required to develop a Regional Climate Change Adaptation Plan. EPICCA facilitated the development of the Regional Climate Change Adaptation Plan for the Eyre Peninsula.

EPICCA's goal was to develop and implement practical, regionally-appropriate and sensitive measures to address the likely impacts of climate change.

The plan has now been completed for the region.

Regional Skills Initiative (Agrifoods)

The Executive Officer was appointed to a position on the Agrifoods Advisory Committee which was established to develop and implement workforce development strategies and industry nationally endorsed qualifications to meet the current and emerging needs of enterprises, employees and students throughout regional and urban Australia.

The Committee worked with a vast array of stakeholders at all levels:

- on the ground with enterprises, regional communities and research organisations to drive adoption of new and better workforce planning and skills development;
- with schools, Registered Training Organisations (RTOs) and the tertiary sector more broadly to drive high quality delivery and assessment of skills;
- with industry peaks and key bodies to build their voice as advocates and change agents of the national skills and workforce development agenda;
- with the three tiers of government to drive evidentiary-based policy formation which supports the needs of agrifood sectors and the challenges facing regional Australia's workforce.

The District Council of Cleve held a round table and follow up meetings to address their sub-regional needs and the three Lower Eyre Peninsula Councils were involved in workforce planning through the Agrifoods initiative.

This federally funded project concludes December 2014.

Regional Water Re-use Planning & Funding

In June 2013 a funding submission was lodged to establish a Regional CWMS Users Group with a view to improving regional skills in this area plus having a forum for the sharing of information. The bid was successful and hence a users group has been established.

The Eyre Peninsula Council's jointly own and operate 13 community wastewater management schemes servicing 5,775 property connections.

Eyre Peninsula Council's are acutely aware of the potential impact of the Water Industry Act and the increasing regulatory and reporting environment surrounding CWMS operations due to their classification as an essential service.

The following desired outcomes of a CWMS User's group were identified:

- Establishment of a users group to facilitate knowledge sharing across Council's operating CWMS'
- Identification of regional capacity and skills gaps to provide for the efficient and compliant ongoing operation and maintenance of existing and new Community Wastewater Management Schemes
- Promote regional training to maintain skill sets required to ensure sustainability
- Development and implementation of standardised recording and reporting mechanisms
- Facilitated development of up-to-date, user friendly operation, maintenance, monitoring and contingency plans
- Schematic mapping of existing schemes to assist with understanding of catchment capacities and constraints
- Development and implementation of standardised accounting systems to assist in comparisons between schemes and Council's
- Identify opportunity for shared resources, including platforms for remote access
- Identification of potential shared procurement opportunities in areas such as spare parts inventories, septic tank desludging and drain flushing.

It was proposed that the initial development of an EPLGA CWMS User Group be facilitated by an external third party, a model which proved successful in the South East Council's User Group.

The member Council's of a CWMS User Group committed both management and operational resources to this project and it is intended that this initial commitment will continue through to the ongoing operations of the User Group as a recognised working group of the EPLGA.

The group has met and commenced its work with regular reporting to be tabled at EPLGA Board meetings.

Regional Training

An increase in Council participation has been witnessed through the Executive Officer of the EPLGA being a link and encouraging Councils to participate in LGA sponsored training programs and other training sessions or seminars. This is also contributed to the Executive Officer giving advice to the LGA on where and when to hold such training so as to avoid clashes with regional seasonal events (e.g. harvest) and other events. Further work is being undertaken on a regional training needs analysis to include civil training etc.

Management Plan Review

At the June 2014 EPLGA Board meeting the EPLGA Board considered and adopted the reviewed EPLGA Management Plan 2013 -16.

To avoid some confusion between the Business Plan prepared by a Council, the EPLGA uses the term 'Management Plan'. This 'Management Plan' is for the period - 2013 to 2016 but will be reviewed annually and has an updated annual work plan & budget included for the current year. It also includes the strategic directions the EPLGA wishes to take for the period 2013-16.

MANAGEMENT PLAN PERFORMANCE

1. ACTIVELY ASSIST MEMBERS BY REPRESENTING THEIR COMBINED INTERESTS.

- 1 Seek invitation to provide responses to legislative and policy changes that materially impact our region.
 - 1.2 Seek the mandated preparation of regional impact statements prior to any state legislated changes likely to affect our region
Comment: RDAWEP is assisting to prepare a regional statement. The EPLGA plans to have all regions do the same so a high level state regional statement can be prepared.
 - 1.3 Prepare coordinated submissions to relevant inquiries and proposals on behalf of members.
Comment: RDAWEP & EPLGA prepare regional submissions in partnership e.g Agriculture white paper response, mobile phone hot spots, trade waste meetings attendance etc..
 - 1.4 Take an active interest in regional waste management, water planning, marine parks, mining, food security, climate change, local workforce planning and any activities that could impose changes to our region.
Comment: President &/or Executive Officer are actively involved in regional committees and/or meetings dealing with regional waste management, water planning, marine parks, mining, food security, climate change, local workforce planning and other activities that may impose change upon the region.
 - 1.5 Continue to advocate for roads funding opportunities.
Comment: The development of a roads database for all EP roads and to be used as a tool for prioritising regional roads is nearing completion. Member for Grey attended EPLGA Board Meeting.
 - 1.6 Develop a coordinated approach to the Commodity Freight Routes across the region, being mindful of divergent needs between Councils.
Comment: Comments in 1.5 will apply to this as freight roads will be weighted to assist in the prioritisation of regional roads seeking funding assistance.

2 BUILDING STRONG PARTNERSHIPS FOR THE PROMOTION OF OUR SECTOR AND OUR REGION

- 2.1 Ensure we are represented at SAROC, State Executive Committee meetings and the General meetings of the LGA.
Comment: The President & Executive Officer attend these meetings when held.
- 2.2 Ensure regular information flows to our member Councils via newsletters, website updates, media announcements and personal contacts.
Comment: After each EPLGA Board meeting a wrap of the meeting is prepared and forwarded to all regional media outlets. It is also posted on the EPLGA website. The media are used as and when needed and are also sent the meeting agendas & minutes.

- 2.3 Seek reports from regional partners at EPLGA Board Meetings and forums.
Comment: Regional partners have a standing agenda item at each Board meeting to present to the constituent Councils. They are also invited to CEO Committee meetings.
- 2.4 Actively seek direct engagement with state government partners in order to allow bottom up, and more streamlined, planning and engagement.
Comment: The EPLGA has been a strong advocate for state government partners to visit the region on planning & engagement matters. E.g. Planning reform, Ministers visiting regional functions & openings etc.
- 2.5 Seek opportunities to partner with industry and community groups to promote the economic and social prosperity of Eyre Peninsula.
Comment: The partnering with Agrifoods to develop workforce planning & cross qualifications & training is a great example of this action being undertaken. The Executive Officer sits at the Agrifood Advisory Committee table. RDAWEP's CEO & Staff meet regularly with the Executive Officer on a range of economic matters. The EO also meets with NGO's during social functions in the region.
- 2.6 Work with member Councils to facilitate economic expansion by coordinating the approach to structure planning, ensuring consistency with the principles contained in the Eyre and Western Plan.
Comment: The Executive Officer has been involved in the Tumby Bay & Port Neill Structure Planning sessions and sits at their advisory group tables. He has also been involved in the Greater Port Lincoln Structure Plan consultation and spoken the District Council of Wudinna on the issue. The Mining Taskforce is expected to have a focus on this functional role for Councils.
- 2.7 Work with state departments and regional partners to better coordinate Infrastructure Planning consistent with the principles in the Eyre and Western Plan.
Comment: The Executive Officer along with Council representatives have been involved in the Integrated Transport & Land Use planning undertaken by the state government. The plan is for the region to develop its own infrastructure plan to feed into state government plans. The region is also involved in RDAWEP Infrastructure planning. Further work in regional strategic planning is required and planned for the near future.
- 2.8 Investigate ways to encourage the state government to streamline its regional consultation processes to avoid multiple meetings that duplicate effort.
Comment: This has been an issue discussed at the SAROC level and continues to be pursued.

3 RAISE THE PROFILE OF THE ASSOCIATION BY GREATER MEDIA PRESENCE.

- 3.1 Issue a media release after each Board meeting and at any occasion where deemed appropriate.
Comment: Media used as and when appropriate. Agenda & minutes of the Board are distributed to regional media to seek interest. The meeting wrap is also distributed to the media outlets.
- 3.3 Consider the nomination of media representatives to present a coordinated and endorsed approach to all media.
Comment: Still managing media in house.

4 ASSIST MEMBER COUNCILS BY COORDINATING REGIONAL INVESTIGATIONS OF OPERATIONAL ISSUES

- 4.1 Actively participate in meetings that promote Continuous Improvement activities in Councils.

Comment: The Outreach Services Pilot Program is about the continuous improvement of activities in Councils. This is a 2 year program funded by the LGA of SA & is 0.4 FTE of the Executive Officer's time.

- 4.2 Continue to promote regional training opportunities to assist Councils to up-skill their workforce.

Comment: The Executive Officer has been assisting with this through better co-ordination of the type of training required, when it could be held & the most suitable location for training. Councils response has been excellent, highlighting the success of this effort.

- 4.3 Facilitate Shared services investigations and discussions at either the regional or sub regional level, where appropriate.

Comment: The Executive Officer has maintained his role in the Lower Eyre Peninsula Councils shared service project. The consolidation of awards & EBA's project has been completed and can be shared with other Councils. The Public Health Planning legislation was managed at a Council cluster (sub-regional) level. Other works undertaken by the various groups and committees is an example of shared services & resources eg. Regional Procurement, CWMS, CEO's Committee, Internal Control and RRC's WHS meetings.

- 4.4 Liaise with the LGA program managers to assist in linking funding opportunities to Council activities.

Comment: As an example of this working, funding has been gained for the Outreach Services Pilot, Lower EP Councils shared services, EP CWMS Users Group, Mining Taskforce and Regional Procurement.

- 4.5 Review our Charter.

Comment: A reviewed charter was presented to the Sept 2013 EPLGA Board meeting.

- 4.6 Coordinate a regional or sub regional approach to road upgrades required for resource sector expansion.

Comment: A Mining Roundtable was held in October 2014 to assist with this type of planning. A report from the SA Centre for Economic Studies was part funded by the EPLGA & LGA to assist with these issues. A Taskforce terms of reference has been developed along with appointing a Coordinator to manage the process.

- 4.7 Review the methodology of preparing the Eyre Peninsula Road Strategy.

Comment: The Roads Strategy was re-worked in 2013. Following this a database was developed to include all EP roads with a methodology prioritisation tool inbuilt to give better road prioritisation. Data is being collected to finalise the database to allow better planning & prioritisation. This is expected to be completed in the last quarter of 2014.

- 4.8 Prepare regional submissions to fund combined approaches to governance activities required of Councils, where agreed by Members.

Comment: Working Groups and shared services will lead to this occurring on a more regular basis e.g. CWMS Group has commenced.

5 DEVELOP WAYS TO DIRECTLY ENGAGE WITH BOTH STATE AND FEDERAL GOVERNMENTS TO ASSIST IN REGIONAL PROMOTION

- 5.1 Include funding in the Annual Business Plan to allow deputation to both State and Federal parliaments on key issues that arise.

Comment: Funding included in the 2013/14 budget.

- 5.2 Liaise with other regional LGA and RDAs where combined lobbying best represents our interests.

Comment: The Executive Officer meets bi-monthly with other regional LGA's Executive Officers to manage such issues as joint collaboration & lobbying. The Executive Officer is located in the RDAWEP Port Lincoln Offices and has a good connection to RDAWEP lobbying efforts.

- 5.3 Seek opportunities to strengthen working relationships with the senior levels of state government.

Comment: The Executive Officer has good political connections and uses these when needed.

6 UNDERTAKE A TWO YEAR "OUTREACH SERVICES" PILOT PROGRAM IN PARTNERSHIP WITH THE LGA OF SA .

- 6.1 Establish a funding agreement for \$70k per year with the LGA of SA.

Comment: Established in July 2013 and concludes 30 June 2015.

- 6.2 Establish a work plan for the pilot program in consultation with member councils and the LGA of SA.

Comment: Established as per 6.1 & reported against to EPLGA & LGA of SA.

- 6.3 Prepare a case study of the pilot program for future reference.

Comment: Pursuant to 6.1 - Being prepared as the program advances.

Key Performance Indicators

While the measurement of performance is a key component of planning, the nature of the workload for the Executive Officer has typically made KPI setting and measuring difficult. Much of the day-to-day operational activity remains reactive and in response to legislated and policy changes that routinely emerge. However, the following measurement may be an indication of performance for each year.

KPI	MEASURED BY	TARGET SCORE
Member General Satisfaction	Number of formal complaints	Zero complaints from members Actual: Zero complaints received
Member attendance at meetings, workshops, training	Number of members who are represented	All members Actual: Usually all 11 Councils represented.
Competitive funding secured	Dollars secured	Equal to membership (\$140K) Actual: Outreach Program \$70k Lower EP Shared Services \$14k EP CWMS Group \$30k Regional Capacity \$38k Regional Procurement LGA Rebate \$10
Achieved annual work plan		All items either achieved or timeframes for completion, and process, in place. Some subject to external funding. Actual: On target
EPLGA is represented at LGA regions meetings	Number of meetings attended	100% Actual: 100%
Co-ordinate regional training activities on EP	Number of days training per year	At least 6 Actual: target exceeded
Annual review of Executive Officer	Final achievement score	Average Rating of 3/5 for personal evaluation undertaken by EPLGA Executive Actual: Review occurred in Feb 2014. Verbal report of satisfactory performance by President.
Greater media activity	Number of interviews and media releases	At least one interview per month. Media releases at least every 2 months. Actual: Meeting target

USE OF FINANCIAL RESOURCES

The following audited statement indicates another year of solid financial performance.

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

FINANCIAL ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2014

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EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 30TH JUNE, 2014

		2014	2013
	NOTE	\$	\$
<u>INCOME</u>			
Grants Received	2	107,225	36,424
Interest Received		8,950	15,571
Project Income - EP Councils	3	86,276	21,788
Membership Fees	4	145,600	140,000
Reimbursable Expenses		1,485	1,967
		<hr/>	<hr/>
<u>TOTAL INCOME</u>		349,536	215,750
<u>EXPENDITURE</u>			
Administration		9,339	11,768
Audit Fees		1,530	1,940
Bank Charges & Taxes		531	798
Computer Expenses		707	2,210
Consultants Fees		-	1,560
Employee Expenses		134,831	77,898
Insurance		5,429	5,281
Marketing & Promotion		-	64
Meeting Expenses		3,719	2,125
President's Expenses		1,750	1,500
Project Expenditure	5	220,736	58,212
Secretarial Services		17,000	17,000
Sundry Expenses		644	60
Telephone		909	702
Travel & Accommodation		10,016	7,054
		<hr/>	<hr/>
<u>TOTAL EXPENDITURE</u>		407,141	188,172
		<hr/>	<hr/>
<u>TOTAL SURPLUS/(DEFICIT)</u>		\$ 57,605	\$ (27,578)

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 30TH JUNE, 2014

	2014	2013
	NOTE	
	\$	\$
Net Surplus/(Deficit)	(57,605)	27,578
Extraordinary Items	-	-
	<u>57,605</u>	<u>(27,578)</u>
<u>TOTAL SURPLUS/(DEFICIT)</u>		
Surplus Funds at July 1	<u>241,200</u>	<u>213,622</u>
SURPLUS/(DEFICIT)	<u>183,595</u>	<u>241,200</u>
<u>ACCUMULATED SURPLUS/(DEFICIT)</u>		
<u>AT 30TH JUNE, 2014</u>	<u>\$ 183,595</u>	<u>\$ 241,200</u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2014

	2014	2013
	NOTE	
	\$	\$
<u>EQUITY</u>		
Accumulated Surplus	\$ 183,595	\$ 241,200
REPRESENTED BY		
<u>CURRENT ASSETS</u>		
Cash at Bank	6 249,210	277,382
Debtors	3,850	-
Income Accrued	2,670	4,958
GST Receivable	15,049	4,623
Prepayments	1,180	-
	271,959	286,963
<u>TOTAL ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Sundry Creditors	7 11,131	8,652
Trade Creditors	5,034	2,397
Unspent Project Funds	8 59,519	32,092
Provision for Holiday Pay	2,610	2,622
Prov'n for Long Service Leave	9 10,070	-
	88,364	45,763
<u>NET ASSETS</u>	\$ 183,595	\$ 241,200

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. This financial report is a special purpose financial report prepared for use by Board and members of the association. The Board has determined that the association is not a reporting entity.
2. The financial report has been prepared on historical cost basis and does not take into account changing money values or except where stated current valuations of non-current assets. The statements are prepared on an accruals basis.
3. Provision is made in respect of the association's liability for annual and long service leave at balance date. Long service leave is accrued from an employee's start date. Leave provision is based on current wages as at reporting date, and does not include on-costs.

	2014	2013
	\$	\$

NOTE 2 - Grants Received

LGA of SA - Outreach Service	70,000	-
LGA of SA - Regional Capacity	37,225	36,424
	\$ 107,225	\$ 36,424

NOTE 3 - Project Income - EP Councils

Assets Management	12,500	-
Cert IV Training	9,776	13,686
CORES - EP	-	8,102
Procurement Roadmap	35,000	-
Shared Services EBACC Project	29,000	-
	\$ 86,276	\$ 21,788

NOTE 4 - Membership Fees

District Council of Ceduna	14,144	13,600
District Council of Cleve	10,589	10,182
District Council of Elliston	8,972	8,627
District Council of Franklin Harbour	9,280	8,923
District Council of Kimba	8,939	8,596
Wudinna District Council	9,360	9,000
District Council of Lower Eyre Peninsula	15,897	15,286
District Council of Streaky Bay	10,863	10,445
District Council of Tumby Bay	11,960	11,500
City of Whyalla	26,416	25,400

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

	2014	2013
	\$	\$
City of Port Lincoln	19,180	18,441
	<u>\$ 145,600</u>	<u>\$ 140,000</u>

NOTE 5 - Project Expenditure

Unspent Funds at 1 July	(32,092)	(31,011)
Asset & Long Term Finance Plan	23,954	-
Birdseye Memorial	8,000	-
Cert IV Group	600	9,668
Charter Review	7,901	-
CWMS Users Group	3,595	-
Emergency Management Planning	205	-
EP Regional Statements	20,000	-
Procurement Roadmap	70,869	-
RDAWEP Internal Review-301/13	15,000	-
Regional Capacity Building	-	12,400
Regional Roads Strategy	9,885	35,063
Shared Services EBACC Project	26,000	-
Special Local Roads		
Prioritisation (LGTAP)	7,300	-
Unspent Funds at 30 June	59,519	32,092
	<u>\$ 220,736</u>	<u>\$ 58,212</u>

NOTE 6 - Cash at Bank

BankSA Society Cheque Account	34,955	24,122
Bendigo Bank Term Deposit	142,691	137,254
LGFA	63,174	107,904
LGFA - Cores EP	8,390	8,102
	<u>\$ 249,210</u>	<u>\$ 277,382</u>

NOTE 7 - Sundry Creditors

	-	8,652
PAYG Withheld	8,652	-
Superannuation	1,181	-
WorkCover	1,298	-
	<u>\$ 11,131</u>	<u>\$ 8,652</u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2014

	2014	2013
	\$	\$
<u>NOTE 8 - Unspent Project Funds</u>		
Regional Capacity Building	16,129	14,963
EP Coastal Development Strategy	-	654
Human Resource Consultancy	-	(548)
Road Assessor Training	-	(256)
Cert IV Training	-	(823)
Project - Other	-	10,000
Cores - EP	8,390	8,102
Outreach Service	35,000	-
	<u>\$ 59,519</u>	<u>\$ 32,092</u>
<u>NOTE 9 - Prov'n for Long Service Leave</u>		
District Council of Tumby Bay	6,562	-
Eyre Peninsula Local Govt. Association	3,508	-
	<u>\$ 10,070</u>	<u>\$ -</u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

BOARD CERTIFICATE

The Board have determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The Board of the association declares that:

- 1 the financial statements and notes present fairly the association's financial position as at 30th June 2014 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2 in the Board's opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board:

signed 

position President

Dated this16..... day ofOctober..... 20...14

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

4 Tasman Terrace, PO Box 2180
Port Lincoln, SA 5606
Telephone: (08) 8682 1899
Facsimile: (08) 8682 1408
Email: gpk@gpk.com.au
ABN 64 945 523 972
ACN 007 909 382

To the members of Eyre Peninsula Local Government Association,

Report on the financial report

We have audited the accompanying financial reports, being a special purpose financial report, of Eyre Peninsula Local Government Association, for the year ended 30th June 2014.

The responsibility of the members of the Board for the financial report

The members of the Board are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the financial reporting requirements of the Local Government Act 1999 and are appropriate to meet the needs of the members. The Board's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of Board, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Board's financial reporting responsibilities under the Local Government Act 1999. We

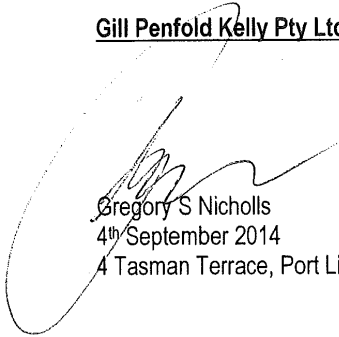
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disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's opinion

In our opinion the financial report of the Eyre Peninsula Local Government Association presents fairly the operations and financial position of the association for the year ended 30th June 2014.

Gill Penfold Kelly Pty Ltd



Gregory S Nicholls
4th September 2014
4 Tasman Terrace, Port Lincoln SA 5606