



District Council of Elliston

Annual Report

2011/2012

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.



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Introduction

Welcome to the Annual Report of the District Council of Elliston for the 2011/12 year.

The Annual Report fulfils Council's legislative requirements, but more importantly allows the opportunity for 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 2011/12 year and is intended as a point of reference to inform the reader as to 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.



Message from the Chair



2011/12 has been a challenging year for the Council with significant changes in the administration of the Council. While the first 6 months were difficult the last six months saw Council regain some ground we had lost.

Elected Members and staff have strived throughout the year to provide a range of services, facilities and advocacy aimed at improving our district for residents and visitors.

We value the productive local partnerships we share which assist to achieve our community's shared aims and contributions of health organisations, community groups, sporting groups, businesses and locally based staff of state government departments.

Partnership with the Port Kenny Venus Bay progress Association has seen the completion of the Venus Bay public toilets. A similar partnership with the Elliston community group has seen the completion of the Elliston Playground and Elliston Wetlands walking trail and interpretive signage. The Lock Community groups in partnership with Council continue to develop the town facilities including the swimming pool, town parks and sporting grounds.

Partnership with the locally based state agency of NRM has seen work commence on projects at Sheringa Beach and Walkers Rocks. Ongoing partnership with Regional Development Australia staff has seen the commencement of plans for the upgrade of the Elliston Foreshore. This project has been listed in the Eyre Peninsula Regional Plan.

This annual report stands as a testament to the diverse interests, rich culture and heritage and positive future that all of us share and aspire to.

PATRICK CLARK

Chairperson

Chief Executive Officer's Message



The 2011/12 year has continued to challenge the District Council of Elliston and the community has risen to the challenge. The partnership between Council and community has enabled overall advancement and completion of projects started in the previous financial year. These partnerships and the ongoing work of staff have meant that the Council and community of the District are stronger and more connected than before.

The highlight of the year is the success of the growing confidence in Council to work with our community for the betterment of the District as a whole. This is evidenced in the interaction that has been witnessed in the last six months of the year and the completion of several community Council partnership projects.

Council's significant road network continues to dominate Council spending, however without maintaining the network of roads that binds this community together, delivers tourism to our area and provides access routes for the harvest to market, our children to school, our fishermen to sea and farmers to their land the area would be severely limited.

The footpath works around Lock township and the ongoing maintenance and upgrade of the Districts recreational park areas delivers peaceful and livable spaces in and around our towns. Council's commitment to civic functions such as Australia Day activities, ANZAC day ceremonies and other regular events shows the strength of a community living and working together for the benefit of all.

Council's day to day activities of compliance, planning and communication are equally as important as the built infrastructure of roads, footpaths and drainage. Whilst the community can see the achievements of the built infrastructure our day to day outcomes are important in ensuring the foundations for the complete success of the District Council of Elliston.

Council completed the review of its five year strategic plan and underwent a governance audit as well as the annual financial audits of its business. The strength of the organisation that is the District Council of Elliston lies with the commitment of its staff to see value delivered to its residents as outlined in Council's Strategic and Annual Business Plans. I acknowledge the staff and thank them all for their hard work and dedication throughout the year.

A Council should be very proud of everything it does. The way it goes about its decision making processes should show clear unbiased commitment to its community. Its focus should clearly be on the community and Council should be genuine in its desire to improve the quality of life of all sectors of the community.

For my part I am about to launch into a new phase in my life with new opportunities in another part of Australia. Thank you to the staff who have made my work in Elliston enjoyable and to the Elected Members who have committed to the future of the community in which they live. There is absolutely no doubt that we are much stronger today than we were twelve months ago and certainly much the richer from our experiences and our achievements.

MARY DEAKIN

Chief Executive Officer



EXECUTIVE SERVICES

THE AREA IN FOCUS

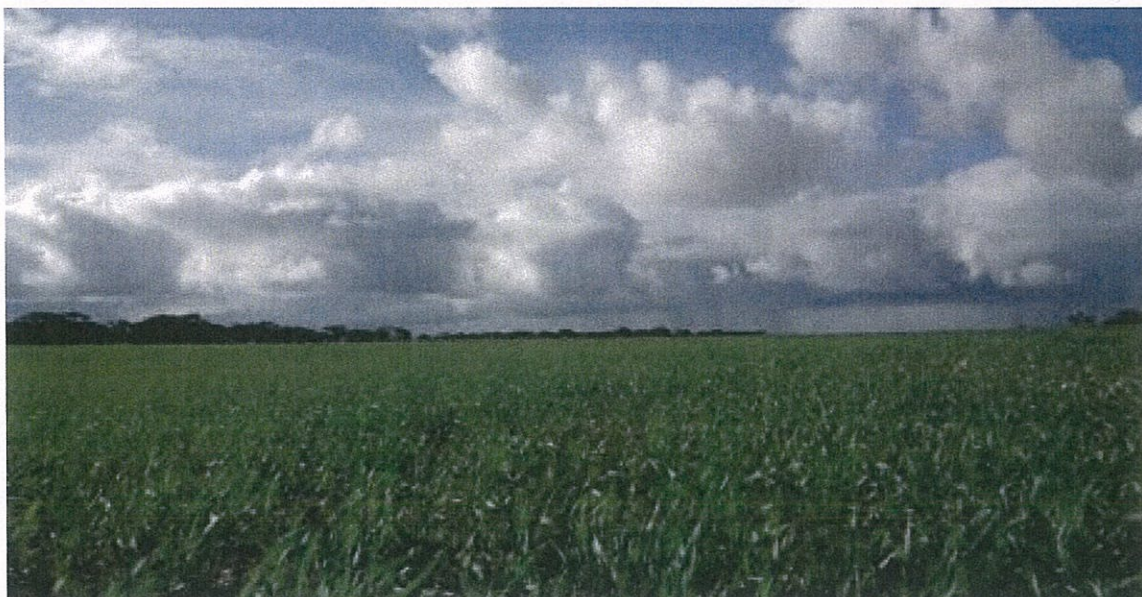
The District Council of Elliston is located on the western side of the Eyre Peninsula. The area is known for its rugged coastline and dramatic diversity and is enjoyed by many for recreational fishing, camping, surfing, and walking. It covers an area of 669,300 hectares and is approximately 700 kilometres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

Within the district there are two main townships, they are Elliston and Lock. In addition there are six smaller townships, including 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. At the 2006 Census the Gross Value of Production was recorded at \$46.4mil with crops representing \$36.4mil and livestock and products being \$10mil. 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 1528 rateable properties, 978 general assessment ratepayers and approximately 1,146km of unsealed roads.

Source: <http://www.southaustralia.biz/Regional-SA/EasyData.aspx>



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
- Section 41 Committee for specific purposes:
 - Coastal Facilities Committee
 - Venus Bay Toilet Committee
 - Elliston Playground Committee



A full audited copy of the General Purpose Financial Reports for the year ended 30th June 2012, pursuant to the Local Government Act 1999 - Section 131, is included as part of this report.

Council returned an operating surplus for the 2011/12 financial year of \$361,000. After capital income and other comprehensive income this was a gain of \$458,000.

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 other Government Grants and Subsidies to assist in the purchase of new or upgraded assets \$110,000.

OPERATING EXPENDITURE

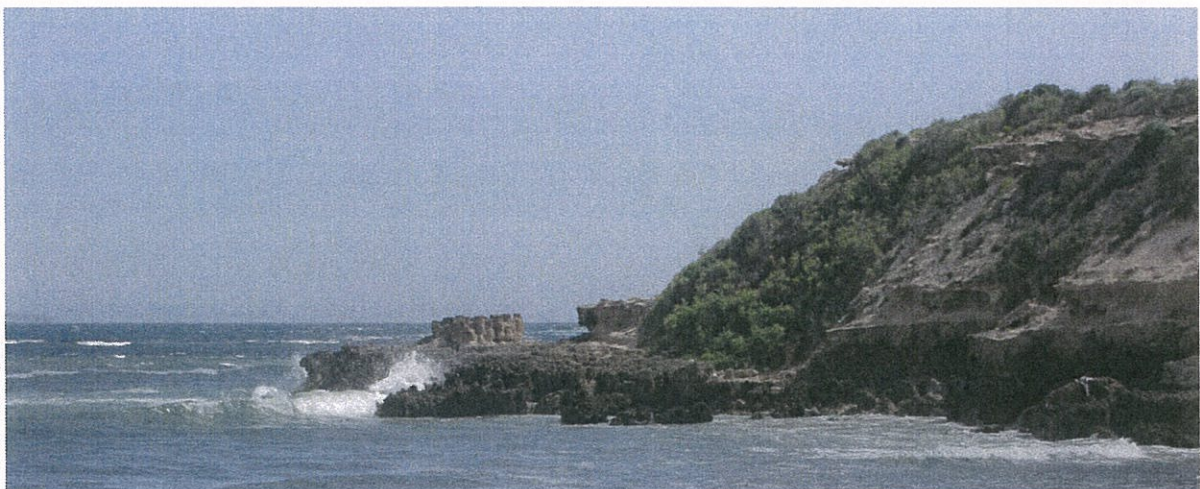
The Operating Expenditure for the financial year was incurred in the following operational areas, Employee Costs, Materials, Contractual Services, Other Expenses and Depreciation.

CAPITAL EXPENDITURE

Along with Operating Expenditure the Council is committed to maintaining its fixed assets base. Council spent \$150,000 on new and upgrading assets as well as \$740,000 on the renewal of existing assets.

NON-CURRENT ASSETS

The Non Current Assets of Council are significant and Land, Buildings and Other Infrastructure were subject to a revaluation as at 30 June 2011.



Note 15 of the General Purpose Financial Report for the financial year ending 30th June 2012 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.

During 2011/12 Council adopted appropriate accounting policies. Council policies are available on the Council Website.

www.elliston.sa.gov.au



ELECTED MEMBERS



CHAIRMAN

Patrick Clark

P.O Box 54

ELLISTON SA 5670

Ph: 8687 9032



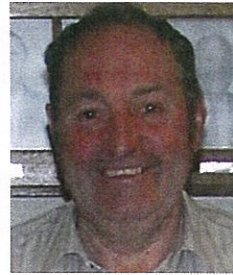
DEPUTY CHAIRMAN

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

Tim Schlink

*Resigned in July
2012*



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



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

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

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

In 2011/12, Council 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 will be 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

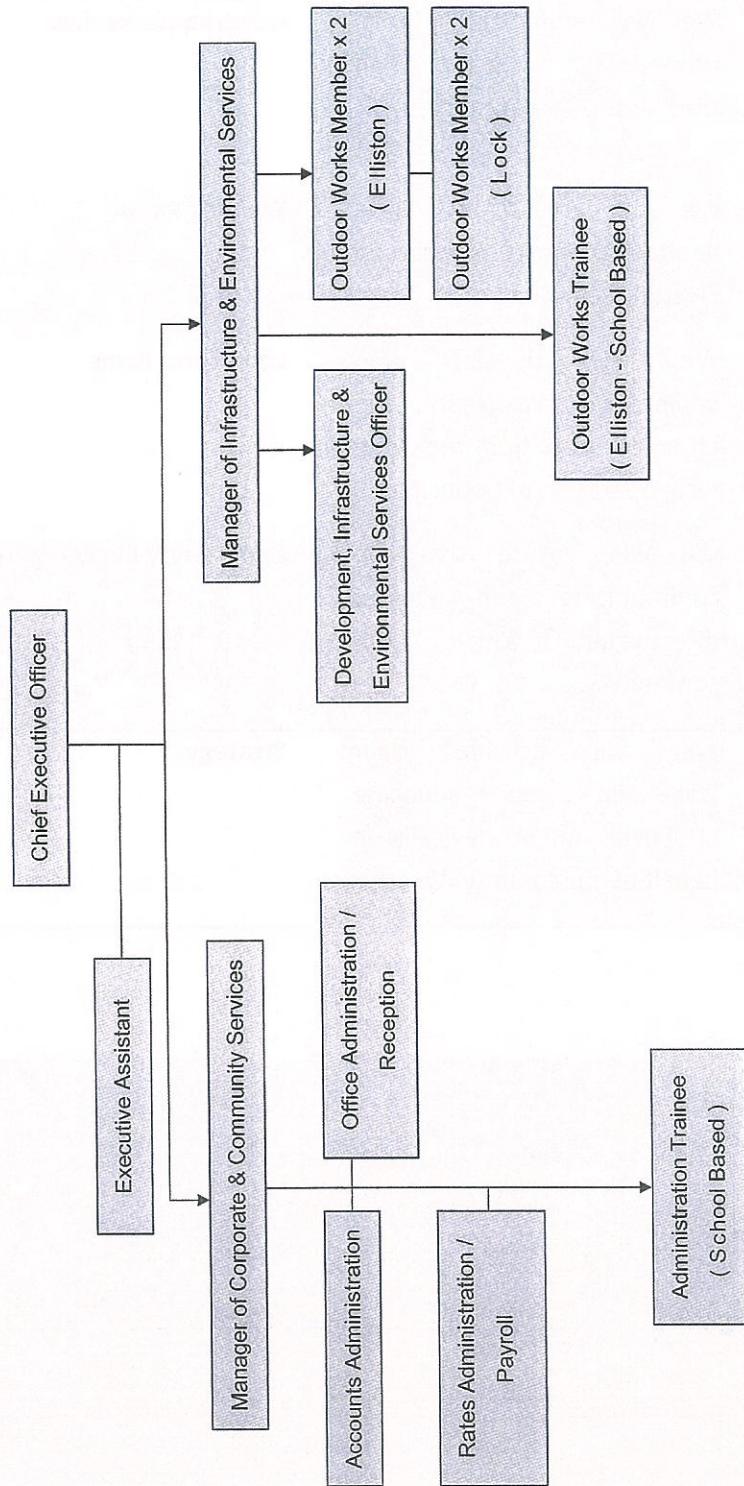
The following tables provide an overview of the Objectives, Goals, Functions, Key Strategies and responsibility for strategy delivery.

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

	<p>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.</p>	<p>Infrastructure Management</p> <p>Property Management</p>
<p>Our Environment</p>	<p>We will develop sustainable plans for the future growth in all our towns and communities.</p>	<p>Town Planning</p> <p>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>

	We will maintain relationships with community protection stakeholders.	Communication
Our Leadership and Governance	We will enhance internal processes to ensure high standards of governance.	Governance Review
	We will ensure we have dedicated competent staff and Elected Members.	Training Plans
	We will develop and implement a clear and effective plan for the long term operation of Council	Long Term Plans
	We will ensure that we communicate and engage effectively with our community.	Community Engagement
	We will provide clear leadership and advocate effectively and strategically on behalf of our community.	Strategy





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*

ALLOWANCES AND BENEFITS FOR MEMBERS OF COUNCIL

Elected Members Allowance Register			
Classification	1 Councillor	1 Councillor	6 Councillors
Stream	Chairman of Council	Deputy Chairman	
Annual Allowance	\$20,000	\$6,250	\$5,000
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		

SENIOR EXECUTIVE OFFICERS

The District Council's organisational structure provides for the Chief Executive Officer and two Managers. The Chief Executive Officer, Manager Corporate and Community Services and Manager Infrastructure and Environmental Services have salary 'packages' ranging between \$100,000 to \$200,000 that include salary, superannuation and the use of fully maintained vehicles. The Register of Remuneration, Allowances and Benefits is available for public inspection.

COMMUNITY BENEFIT FUND

During the 2011-2012 financial year Council allocated funds totaling \$47,000.

Recipient Name	Funds Provision / Purpose	Running Total (\$)
Lock Murdinga Tooligie Progress Assoc.	Lock Community Park	\$5,000.00
Elliston Community Information Centre	Financial assistance with accreditation	\$20,000.00
Elliston Community Information Centre	Maintenance of Hall Toilet	\$11,679.00
Mid West Health – Rec Group	Admin assistance, transport costs	\$1,200.00
Elliston Progress Tourism Association	Opening Trudinger Park and Sculptures at Play Event	\$6,000.00
Elliston Area School	Wool Show	\$500.00
Elliston Playground Steering Committee	Development Application costs for Playground upgrade	\$368.00
Elliston Community Information Centre	Salmon Competition	\$2,000.00
Country Health SA	Home Assistance Support	\$412.00
Woof Design & Print	EP & West Coast Visitor Guide	\$250.00

STAFFING

As at 30th June 2012 the District Council had a total of 8.4 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	1	2
Administration Services – General (1 vacancy)		1.2
Infrastructure and Environmental Services (1 vacancy)	-	-
Finance (1 vacancy)	-	-
TOTAL OFFICE EMPLOYEES:	1	3.2
Construction, Maintenance, Parks, Gardens & Reserves	4.2	-
TOTAL DEPOT EMPLOYEES:	4.2	-
TOTAL EMPLOYEES:	5.2	3.2

Council had a major change over in staff and at 30th June 2012, three (3) positions were vacant.



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) eight times during the year to consider Commercial information of a confidential nature that would if disclosed:

- prejudice the commercial position of the person who supplied it, or
- confer a commercial advantage to a third party

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 did not choose to invoke Section 91(7) in regard to the minutes.

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.



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.

No applications were received during the year.

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:

Freedom of Information Officer,
District Council of the Elliston,
PO Box 46
ELLISTON S.A. 5670.



The composition of the Council was last reviewed pursuant to Section 12 of the Local Government Act during 2009. The next scheduled review is to be undertaken before October 2013.

The representation quota is one councillor per 110 electors as at 29th February 2012. In the previous year, the quota was one councillor per 100 electors.

Council	Electors	Total Members inc Mayor / Chairman	Representation	Mayor / Chairman	Wards	Aust. Class of LG (ACLG)*
Cleve	1312	8	164	C	0	RAS
Elliston	883	8	110	C	0	RAS
Flinders Ranges	1204	9	133	M	0	RAS
Franklin Harbour	937	6	156	C	0	RAS
Karoonda-East Murray	809	7	115	M	0	RAS
Kimba	833	7	119	C	0	RAS
Wudinna	950	7	135	C	0	RAS
Orroroo / Carrieton	698	7	99	C	0	RAS
Robe	1369	7	195	M	2	RAS
Streaky Bay	1581	8	197	C	2	RAS
*RAS: Rural Agricultural Small						

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.

Cr Tim Schlink resigned on 4th June 2012. An election to fill the vacancy will not be held unless a further vacancy occurs.

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.

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.

NATIONAL COMPETITION POLICY

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

CURRENT LOCAL LAWS

- By-Law No. 1 - Permits and Penalties
- By-Law No. 2 – Local Government Land
- By-Law No. 3 - Roads
- By-Law No. 4 – Moveable Signs, Banners and Umbrellas
- By-Law No. 5 – Dogs
- By-Law No. 6 – Caravans and Camping
- By-Law No. 7 – Foreshore
- By-Law No. 8 – Waste Management

A copy of the current by-laws and expiation fees may be obtained from Council's Office. They are also available on Council's website. All Council by-laws are national competition policy compliant.

GENERAL

2011/12 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 2011/12.

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.

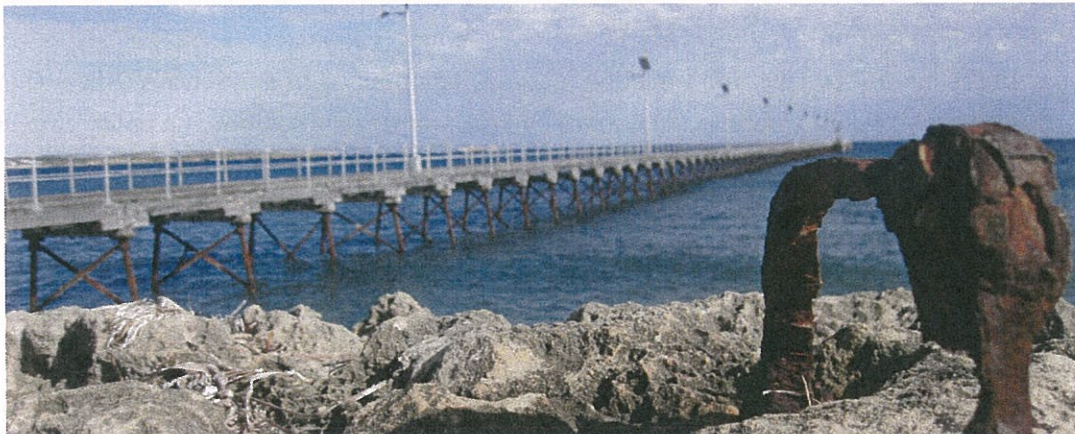
Records are a vital aspect of Council business. The ability to effectively manage and maintain them has become an important function of Council in order to ensure all records can meet any legal, evidential, fiscal, accountabilities and legislative requirements. An ongoing records management project is 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.

Council has put an immense amount of work into the Website aimed at bringing Council's ability to service the community to a higher standard.

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.



Occupational Health, Safety and Welfare along with Risk Management are 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 OHS&W 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 OHS&W 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 OHS&W and risk management in all areas.

OTHER MAJOR EVENTS

The District Council of the Elliston also coordinated the following events:

Australia Day Activities

CAPITAL WORKS PROGRAMME FOR 2011/12

DESCRIPTION	TOTAL
Lock Paving Works	
Ettridge Street, Lock Footpath – 175m2	\$13,574.75
Post Office, Lock East Side – 35m2	\$2,714.95
Front of Lock Hotel – 70m2	\$5,429.90
Rubble Road Re-Sheeting	
Siviour Road, – 1.7km Re-sheeting	\$37,217.50
Roberts Road, – Patching repairs	\$5,853.83
Pearce Road & Buzzcott Road Intersection build up	\$2,070.00
Cross Road Construction, Fuss Rd & Skinner Rd	\$4,905.64
Cross Road Construction, Zerk Rd & Hambridge Rd	\$4,905.64
Pearce Road, Lock – 4.7km Re-sheeting	\$97,236.52
Skinner Road, Lock – 3.2km Re-sheeting	\$84,639.56
Access road around Lock Oval, no charge, donated by Paul Cave Contractors	No charge, work completed by Paul Cave (valued at \$1609)



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 have again been complemented by the use of private Contractors during the course of the year.

Contractors are used for projects such as road construction, stormwater 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 OHS Management System. Technical Services staff commenced Certificate in Civil Construction 3.

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

- Work zone Traffic Management
- OH&S White Card
- First Aid
- Plant Operations
- Preparing and Applying Chemicals
- Fire Prevention
- Animal Management

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.

LANDFILL SITES

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

At Elliston and Lock, there is waste transfer stations 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.

DEVELOPMENT APPLICATIONS 2011/12

During 2011/12 there were forty-one (41) New Development Applications and one (1) Land Division, with thirty-three (33) Approved Development Applications and (1) Approved Land Division. The approved applications included some from previous financial years and some 2011/12 applications had not yet been finalized as at 30th June 2012.

Of the approved applications there were:

- 10 dwellings: 9 included Class 10 buildings (shed, verandah, carport etc)
- 32 Class 10 Buildings: 9 were attached to dwellings and 7 were classed as Commercial and Industrial.

The total value of the thirty-three (33) development approvals for building and planning was \$1,851,977 with planning only approvals being \$707,740.

The value of :

Dwelling only = \$120,957

Dwellings including Class 10 Buildings = \$767,500

Class 10 Buildings only = \$963,520 (Commercial & Industrial = \$405,500)



ATTACHMENT 1: GENERAL PURPOSE FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2012

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

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District Council of Elliston


ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2012

CERTIFICATION OF FINANCIAL STATEMENTS

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

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


.....
Nikki Meredith
ACTING CHIEF EXECUTIVE OFFICER


.....
Patrick Clark
MAYOR/COUNCILLOR

Date: 28 November 2012

District Council of Elliston

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2012

	Notes	2012 \$	2011 \$
INCOME			
Rates	2	1,817,967	1,767,661
Statutory charges	2	22,222	23,981
User charges	2	59,343	61,904
Grants, subsidies and contributions	2	1,656,450	1,541,727
Investment income	2	102,397	105,683
Reimbursements	2	51,225	120,092
Other income	2	39,722	85,218
Total Income		<u>3,749,325</u>	<u>3,706,266</u>
EXPENSES			
Employee costs	3	579,021	523,192
Materials, contracts & other expenses	3	1,776,735	1,511,187
Depreciation, amortisation & impairment	3	1,027,494	981,691
Finance costs	3	4,933	784
Total Expenses		<u>3,388,183</u>	<u>3,016,854</u>
OPERATING SURPLUS / (DEFICIT)		361,143	689,412
Asset disposal & fair value adjustments	4	(12,899)	(90,714)
Amounts received specifically for new or upgraded assets	2	109,874	408,927
Physical resources received free of charge	2	-	25,716
NET SURPLUS / (DEFICIT)		<u>458,118</u>	<u>1,033,341</u>
transferred to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	-	5,072,619
Total Other Comprehensive Income		<u>-</u>	<u>5,072,619</u>
TOTAL COMPREHENSIVE INCOME		<u>458,118</u>	<u>6,105,960</u>

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

District Council of Elliston

BALANCE SHEET as at 30 June 2012

	Notes	2012 \$	2011 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,088,799	2,635,607
Trade & other receivables	5	266,675	167,761
Inventories	5	39,405	38,836
		<u>3,394,879</u>	<u>2,842,204</u>
Total Current Assets		<u>3,394,879</u>	<u>2,842,204</u>
Non-current Assets			
Infrastructure, Property, Plant & Equipment	7	33,987,278	34,226,495
Other Non-current Assets	6	54,733	-
		<u>34,042,011</u>	<u>34,226,495</u>
Total Non-current Assets		<u>34,042,011</u>	<u>34,226,495</u>
Total Assets		<u>37,436,890</u>	<u>37,068,699</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	477,397	525,451
Provisions	8	33,669	94,259
		<u>511,066</u>	<u>619,710</u>
Liabilities relating to Non-current Assets held for Sale	20	-	-
		<u>511,066</u>	<u>619,710</u>
Total Current Liabilities		<u>511,066</u>	<u>619,710</u>
Non-current Liabilities			
Provisions	8	21,860	3,142
		<u>21,860</u>	<u>3,142</u>
Total Non-current Liabilities		<u>21,860</u>	<u>3,142</u>
Total Liabilities		<u>532,926</u>	<u>622,852</u>
NET ASSETS		<u>36,903,964</u>	<u>36,445,847</u>
EQUITY			
Accumulated Surplus		7,288,245	6,865,280
Asset Revaluation Reserves	9	28,808,719	28,808,719
Other Reserves	9	807,000	771,848
		<u>36,903,964</u>	<u>36,445,847</u>
TOTAL EQUITY		<u>36,903,964</u>	<u>36,445,847</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 2012

2012	Notes	Accumulated Surplus \$	Asset Revaluation Reserve \$	Other Reserves \$	TOTAL EQUITY \$
Balance at end of previous reporting period		6,865,280	28,808,719	771,848	36,445,847
Restated opening balance		6,865,280	28,808,719	771,848	36,445,847
Net Surplus / (Deficit) for Year		458,118			458,118
Other Comprehensive Income					
Transfers between reserves		(35,152)	-	35,152	-
Balance at end of period		7,288,246	28,808,719	807,000	36,903,965
2011					
Balance at end of previous reporting period		6,603,787	23,736,100	-	30,339,887
Restated opening balance		6,603,787	23,736,100	-	30,339,887
Net Surplus / (Deficit) for Year		1,033,341			1,033,341
Other Comprehensive Income					
Changes in revaluation surplus - infrastructure, property, plant & equipment			5,072,619		5,072,619
Transfers between reserves		(771,848)		771,848	-
Balance at end of period		6,865,280	28,808,719	771,848	36,445,847

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

District Council of Elliston

CASH FLOW STATEMENT for the year ended 30 June 2012

	Notes	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		1,765,111	3,877,934
Fees & other charges		23,987	
User charges		165,312	
Investment receipts		109,308	97,786
Grants utilised for operating purposes		1,780,684	
Reimbursements		56,348	
Other revenues		231,942	
<u>Payments</u>			
Employee Costs		(666,034)	
Materials, contracts & other expenses		(2,262,497)	(2,186,183)
Finance payments		(4,933)	(784)
Net Cash provided by (or used in) Operating Activities		1,199,228	1,788,753
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		109,874	516,074
Sale of replaced assets		34,103	193,335
Sale of surplus assets		-	24,545
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(740,379)	(1,025,116)
Expenditure on new/upgraded assets		(149,633)	(1,050,975)
Net Cash provided by (or used in) Investing Activities		(746,035)	(1,342,137)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Payments</u>			
Repayments of Borrowings		-	(33,739)
Net Cash provided by (or used in) Financing Activities		-	(33,739)
Net Increase (Decrease) in cash held		453,192	412,877
 Cash & cash equivalents at beginning of period	11	<u>2,635,607</u>	<u>2,222,730</u>
Cash & cash equivalents at end of period	11	<u>3,088,799</u>	<u>2,635,607</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 2012

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian 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.

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

3 Income recognition

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

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

District Council of Elliston

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

Note 1 - Significant Accounting Policies (cont)

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

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

5.1 Real Estate Assets Developments

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

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

5.2 Other Real Estate held for resale

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

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. 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.

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

District Council of Elliston

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

Note 1 - Significant Accounting Policies (cont)

6.2 Materiality

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

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

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

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

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
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

District Council of Elliston

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

Note 1 - Significant Accounting Policies (cont)

Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC	70 to 80 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	15 to 25 years
Other Assets	
Library Books	10 to 15 years
Artworks	indefinite

6.5 Impairment

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

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

6.6 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Borrowings

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

District Council of Elliston

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

Note 1 - Significant Accounting Policies (cont)

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

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

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

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

9.2 Superannuation

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

10 Construction Contracts

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

11 Joint Ventures and Associated Entities

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

12 Leases

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

In respect of finance leases, where Council substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class, and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

District Council of Elliston

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

Note 1 - Significant Accounting Policies (cont)

13 GST Implications

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

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

14 Pending Accounting Standards

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

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

District Council of Elliston

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

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 2012

Note 2 - INCOME

	Notes	2012 \$	2011 \$
RATES REVENUES			
<u>General Rates</u>		1,449,458	1,394,836
Less: All rebates, remissions & write offs		<u>(18,729)</u>	<u>(18,335)</u>
		1,430,729	1,376,501
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		56,820	57,000
Television		(2)	14,392
Waste collection		290,920	280,584
Community wastewater management systems		<u>31,232</u>	<u>30,576</u>
		378,970	382,552
<u>Other Charges</u>			
Penalties for late payment		8,268	8,608
		<u>8,268</u>	<u>8,608</u>
		<u>1,817,967</u>	<u>1,767,661</u>
 STATUTORY CHARGES			
Development Act fees		8,378	9,421
Search fees		1,727	1,040
Town planning fees		4,124	5,216
Animal registration fees & fines		4,557	5,385
Sundry		3,436	2,919
		<u>22,222</u>	<u>23,981</u>
 USER CHARGES			
Cemetery/crematoria fees		1,986	1,827
House rental		5,650	1,600
Caravan park income		27,120	28,551
Camping fees		11,724	8,419
Water		6,608	13,714
Waste		2,312	4,381
License income		1,051	1,709
Sundry		2,892	1,703
		<u>59,343</u>	<u>61,904</u>
 INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		100,624	104,463
Banks & other		1,773	1,220
		<u>102,397</u>	<u>105,683</u>

District Council of Elliston

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

NOTE 2 - INCOME (continued)

	Notes	2012 \$	2011 \$
REIMBURSEMENTS			
- for private works		26,339	44,942
- other		24,887	75,150
		51,225	120,092
OTHER INCOME			
Rebates received		24,106	33,655
Sundry		15,616	51,563
		39,722	85,218
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		109,874	408,927
Other grants, subsidies and contributions		1,349,547	1,541,727
Individually significant item - additional Grants Commission payment	see below	306,903	-
		1,766,324	1,950,654

The functions to which these grants relate are shown in Note 2.

Sources of grants

Commonwealth government	-	471,625
State government	1,766,324	1,470,029
Other	-	9,000
	1,766,324	1,950,654

Individually Significant Item

On 28 June 2009, Council received payment of the first installment of the 2010/11 Grant Commission (FAG) grant. Similarly, on 28 June 2012 Council received payment of the first two installments of the 2012/13 grant.

	306,903	-
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The additional early installment received on the 28 June 2012 has materially increased Council's operating results in the current year, as these amounts are recognised as income upon receipt.

Similarly material adverse effects will be experienced when the timing of these grant payments is restored to normal schedule. This is expected to occur in the financial year ending 30 June 2013.

District Council of Elliston

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

NOTE 2 - INCOME (continued)

	2012	2011
Notes	\$	\$
Conditions over grants & contributions		
<i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i>		
<i>Unexpended at the close of the previous reporting period</i>	141,374	17,444
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>		
<i>Roads Infrastructure</i>	(111,374)	-
<i>Heritage & Cultural Services</i>	(30,000)	(17,444)
<i>Subtotal</i>	<u>(141,374)</u>	<u>(17,444)</u>
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
<i>Roads Infrastructure</i>	-	111,374
<i>Heritage & Cultural Services</i>	-	30,000
<i>Subtotal</i>	<u>-</u>	<u>141,374</u>
<i>Unexpended at the close of this reporting period</i>	<u>-</u>	<u>141,374</u>
 <i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>	 <u>(141,374)</u>	 <u>123,930</u>
 PHYSICAL RESOURCES RECEIVED FREE OF CHARGE		
Playgrounds	-	25,716
TOTAL PHYSICAL RESOURCES RECEIVED	<u>-</u>	<u>25,716</u>

District Council of Elliston

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

Note 3 - EXPENSES

	Notes	2012 \$	2011 \$
EMPLOYEE COSTS			
Salaries and Wages		481,928	599,737
Employee leave expense		40,508	40,173
Superannuation - defined contribution plan contributions	18	46,043	37,364
Superannuation - defined benefit plan contributions	18	2,097	21,071
Workers' Compensation Insurance		20,186	17,492
Less: Capitalised and distributed costs		<u>(11,741)</u>	<u>(192,645)</u>
Total Operating Employee Costs		<u>579,021</u>	<u>523,192</u>
Total Number of Employees		11	11
<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		8,000	14,000
Elected members' expenses		66,139	76,471
Election expenses		1,579	17,471
Subtotal - Prescribed Expenses		<u>75,718</u>	<u>107,942</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		1,620,756	964,358
Registration & Insurance		141,477	146,775
Electricity		44,460	33,317
Telephone		17,957	17,110
Legal Expenses		53,729	54,406
Levies paid to government - NRM levy		58,800	54,312
- Other Levies		2,623	3,964
Material		350,421	208,269
Water		12,424	8,062
Travel Expenses		9,649	10,785
Advertising		21,756	19,921
Sundry		255,128	151,630
Less capitalised and distributed costs		<u>(888,161)</u>	<u>(269,664)</u>
Subtotal - Other Materials, Contracts & Expenses		<u>1,701,017</u>	<u>1,403,245</u>
		<u>1,776,735</u>	<u>1,511,187</u>

District Council of Elliston

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

Note 3 - EXPENSES con't

	Notes	2012 \$	2011 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		119,716	85,968
Infrastructure			
- Roads		697,201	698,016
- Other		26,468	7,459
Plant & Equipment		147,617	164,560
Furniture & Fittings		16,182	8,273
Other Asset		20,310	19,731
		1,027,494	984,007
Less: Capitalised and distributed costs		-	(2,316)
		1,027,494	981,691
 FINANCE COSTS			
Interest on Loans		4,933	784
		4,933	784

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2012 \$	2011 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		34,103	193,335
Less: Carrying amount of assets sold		47,002	178,224
Gain (Loss) on disposal		(12,899)	15,111
 <i>Assets surplus to requirements</i>			
Proceeds from disposal		-	24,545
Less: Carrying amount of assets sold		-	130,370
Gain (Loss) on disposal		-	(105,825)
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		(12,899)	(90,714)

District Council of Elliston

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

Note 5 - CURRENT ASSETS

	Notes	2012 \$	2011 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		460,150	23,898
Deposits at Call		<u>2,628,649</u>	<u>2,611,709</u>
		<u>3,088,799</u>	<u>2,635,607</u>
 TRADE & OTHER RECEIVABLES			
Rates - General & Other		147,940	95,084
Accrued Revenues		22,100	29,011
Debtors - general		86,747	43,528
GST Recoupment		9,888	-
Prepayments		-	138
Total		<u>266,675</u>	<u>167,761</u>
 INVENTORIES			
Stores & Materials		36,237	35,668
Trading Stock		<u>3,168</u>	<u>3,168</u>
		<u>39,405</u>	<u>38,836</u>

Note 6 - NON-CURRENT ASSETS

	Notes	2012 \$	2011 \$
FINANCIAL ASSETS			
OTHER NON-CURRENT ASSETS			
Inventories			
Capital Works-in-Progress		<u>54,733</u>	-
		<u>54,733</u>	<u>-</u>

District Council of Elliston

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2011				2012			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Land	-	-	10,402,209	10,402,209	10,402,209	-	-	10,402,209
Land Improvements	-	-	-	-	-	-	-	-
Buildings & Other Structures	5,629,123	33,593	(3,449,424)	2,213,292	5,828,878	-	(3,569,140)	2,259,738
Infrastructure	-	-	-	-	-	-	-	-
- Roads	28,730,706	-	(9,398,211)	19,332,495	28,587,330	417,834	(9,953,153)	19,052,011
- Other	-	841,666	(242,755)	598,911	-	969,579	(269,223)	700,356
Plant & Equipment	-	1,673,189	(760,647)	912,542	-	1,680,269	(889,838)	790,431
Furniture & Fittings	-	164,494	(94,640)	69,854	-	190,383	(105,862)	84,521
Other Asset	926,203	41,520	(270,531)	697,192	62,650	926,203	(290,841)	698,012
TOTAL PROPERTY, PLANT & EQUIPMENT	35,286,032	2,754,462	(3,813,999)	34,226,495	44,881,067	4,184,268	(15,078,057)	33,987,278
<i>Comparatives</i>	39,248,538	5,302,077	(16,205,945)	28,344,670	35,286,032	2,754,462	(3,813,999)	34,226,495

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 2012

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	CARRYING AMOUNT MOVEMENTS DURING YEAR										2012
	\$										\$
	2011 CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation			CARRYING AMOUNT
	New/Upgrade	Renewals									
Land	10,402,209	-	-	-	-	-	-	-	-	-	10,402,209
Buildings & Other Structures	2,213,292	-	166,162	-	(119,716)	-	-	-	-	-	2,259,738
Infrastructure	19,332,495	21,720	396,114	(1,117)	(697,201)	-	-	-	-	-	19,052,011
- Roads	598,911	127,913	-	-	(26,468)	-	-	-	-	-	700,356
- Other	912,542	-	65,748	(40,242)	(147,617)	-	-	-	-	-	790,431
Plant & Equipment	69,854	-	36,492	(5,643)	(16,182)	-	-	-	-	-	84,521
Furniture & Fittings	697,192	-	21,130	-	(20,310)	-	-	-	-	-	698,012
Other Asset											
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	34,226,495	149,633	685,646	(47,002)	(1,027,494)	-	-	-	-	-	33,987,278
<i>Comparatives</i>	28,344,670	1,076,691	1,025,116	(308,594)	(984,007)	-	-	-	-	5,072,619	34,226,495

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 2012

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

Valuation of Assets

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

Land & 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.

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 at fair value, deriving from a valuation, undertaken by Liquid Pacific, as at 30 June 2011. Any additions are recognised at cost.

Buildings & Other Structures

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

Infrastructure

Transportation assets are valued by Council at fair value based on a re-valuation of Council's sealed, unsealed, footpath and kerbs assets as at 30 June 2011 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 written down 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 written down 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.

District Council of Elliston

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

Note 8 - LIABILITIES

	Notes	2012		2011	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		168,481		315,252	
Payments received in advance		251,143		107,147	
Accrued expenses - employee entitlements		31,278		81,465	
Accrued expenses - other		20,170		15,262	
Other		6,325		6,325	
		<u>477,397</u>	<u>-</u>	<u>525,451</u>	<u>-</u>
PROVISIONS					
Employee entitlements (including on costs)		33,669	21,860	94,259	3,142
		<u>33,669</u>	<u>21,860</u>	<u>94,259</u>	<u>3,142</u>

District Council of Elliston

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

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2011	Net Increments (Decrements)	Transfers, Impairments	30/6/2012
Notes	\$	\$	\$	\$
Land	9,581,810			9,581,810
Buildings & Other Structures	2,305,170			2,305,170
Infrastructure				
- Roads	16,831,712			16,831,712
Other Assets	90,027			90,027
TOTAL	28,808,719			28,808,719
<i>Comparatives</i>	<u>23,736,100</u>	<u>5,072,619</u>		<u>28,808,719</u>

OTHER RESERVES	1/7/2011	Transfers to Reserve	Transfers from Reserve	30/6/2012
Plant & machinery replacement	318,105	14,822		332,927
Infrastructure replacement	60,306	2,810		63,116
Land development reserve	35,867	1,671		37,538
Waste management reserve	178,712	8,009		186,721
TV fund	66,766	2,972		69,738
CWMS reserve	110,316	4,786		115,102
Port Kenny water supply	1,776	82		1,858
TOTAL OTHER RESERVES	771,848	35,152		807,000
<i>Comparatives</i>		<u>771,848</u>		<u>771,848</u>

PURPOSES OF RESERVES

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 2012

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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

	Notes	2012 \$	2011 \$
CASH & FINANCIAL ASSETS			
Unexpended amounts received from Federal Government		0	141,374
Unexpended amounts received from State Government		251,143	107,147
CWMS		115,102	110,316
TV Fund		69,738	66,766
Port Kenny Water Supply		1,858	1,776
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		437,841	427,379

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	2012 \$	2011 \$
Total cash & equivalent assets	5	3,088,799	2,635,607
Less: Short-term borrowings	8	-	-
Balances per Cash Flow Statement		3,088,799	2,635,607

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

Net Surplus (Deficit)		458,118	1,033,341
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		1,027,494	984,007
Net increase (decrease) in unpaid employee benefits		(92,059)	8,839
Non-cash asset acquisitions		-	(25,716)
Grants for capital acquisitions treated as Investing Activity		(109,874)	(408,927)
Net (Gain) Loss on Disposals		12,899	90,714
		1,296,578	1,682,258
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(98,914)	(29,193)
Net (increase) decrease in inventories		(569)	(6,350)
Net (increase) decrease in other current assets		-	888
Net increase (decrease) in trade & other payables		2,133	141,150
Net Cash provided by (or used in) operations		1,199,228	1,788,753

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge	3	-	25,716
<i>Amounts recognised in Income Statement</i>		-	25,716

District Council of Elliston

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

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES											
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)		
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2012	2011	2012	2011	
	2012	2011	2012	2011	2012	2011	\$	\$	\$	\$	
Business Undertakings	155,825	154,035	208,949	186,049	(53,124)	(32,014)	-	-	311,742	308,348	
Community Services	24,920	24,634	214,103	190,638	(189,182)	(166,004)	3,223	3,000	353,072	349,228	
Economic Development	-	-	13,943	12,415	(13,943)	(12,415)	-	-	16,850	16,667	
Environment	353,489	349,429	676,936	602,747	(323,447)	(253,318)	-	-	24,101	23,839	
Recreation & Culture	38,749	38,304	212,826	189,501	(174,077)	(151,197)	2,366	2,202	446,902	442,036	
Regulatory Services	23,208	22,941	177,866	158,373	(154,659)	(135,432)	-	-	-	-	
Transport & Communication	764,479	755,699	1,435,982	1,278,605	(671,503)	(522,906)	811,915	755,683	20,150,793	19,931,406	
Plant Hire & Depot/Indirect	-	-	-	-	-	-	-	-	-	-	
Unclassified Activities	959,604	948,583	306,497	272,906	653,107	675,677	-	-	493,509	488,136	
Council Administration	1,429,053	1,412,641	141,082	125,620	1,287,971	1,287,021	838,946	780,842	15,639,921	15,469,645	
TOTALS	3,749,325	3,706,266	3,388,183	3,016,854	361,143	689,412	1,656,450	1,541,727	37,436,890	37,029,305	

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

District Council of Elliston

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

Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Business Undertakings

Caravan Parks, Gravel Pits/Quarries, Development of Land for Resale, Private Works, Sewerage/CWMS, 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, Home Assistance Scheme, Community Assistance, Community Transport, Community Bus, Doctors Vehicle, Community Amenities, Cemeteries, Public Conveniences, Car Parking – non-fee-paying, Telecommunications Networks.

Culture

Library Services, Cultural Venues - CWA Building, Museums

Economic Development

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

Environment

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

Recreation

Jetties, Boat Ramps, Other Marine Facilities, Parks and Gardens, Playgrounds, Sports Facilities – Indoor, Sports Facilities – Outdoor, Swimming Centres – Outdoor, Camping Grounds, Fish Cleaning Facilities, Halls 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.

Plant Hire & Depot

Plant Operations and Maintenance, Depot Operations and Maintenance

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, Occupational 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 2012

Note 13 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

<p>Recognised Financial Instruments - Bank, Deposits at Call, Short Term Deposits</p>	<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 3.75% and 4.25% (2011: 4.25% and 4.75%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
<p>Receivables - Rates & Associated Charges (including legal's & penalties for late payment) 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 interest of 11.25% (2011: 11.25%) 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>
<p>Receivables - Fees & other charges</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: 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>
<p>Receivables - other levels of government</p>	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth & State.</p> <p>Carrying amount: approximates fair value.</p>
<p>Liabilities - Creditors and Accruals</p>	<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 2012

Note 13 - FINANCIAL INSTRUMENTS con't

Liquidity Analysis

2012	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
Cash & Equivalents	\$ 3,088,799	\$	\$	3,088,799	3,088,799
Receivables	118,413			118,413	118,735
Other Financial Assets				-	-
Total	3,207,212	-	-	3,207,212	3,207,534
Financial Liabilities					
Payables	425,949			425,949	425,949
Current Borrowings				-	-
Non-Current Borrowings				-	-
Total	425,949	-	-	425,949	425,949
2011	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
Cash & Equivalents	\$ 2,635,607	\$	\$	2,635,607	2,635,607
Receivables	72,539			72,539	72,677
Other Financial Assets				-	-
Total	2,708,146	-	-	2,708,146	2,708,284
Financial Liabilities					
Payables	428,724			428,724	428,724
Current Borrowings				-	-
Non-Current Borrowings				-	-
Total	428,724	-	-	428,724	428,724

Net Fair Value

District Council of Elliston

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

Note 14 - COMMITMENTS FOR EXPENDITURE

	2012	2011
<u>Notes</u>	\$	\$
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Roads and Infrastructure	-	257,024
Plant & Equipment	-	77,392
	<u>-</u>	<u>334,416</u>
These expenditures are payable:		
Not later than one year	-	334,416
	<u>-</u>	<u>334,416</u>
Other Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	24,000	32,000
Waste Management Services	191,128	382,256
Employee Remuneration Contracts	150,000	171,879
	<u>365,128</u>	<u>586,135</u>
These expenditures are payable:		
Not later than one year	353,128	264,066
Later than one year and not later than 5 years	12,000	322,069
	<u>365,128</u>	<u>586,135</u>

District Council of Elliston

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

Note 15 - FINANCIAL INDICATORS

	2012	2011	2010
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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>	21%	40%	41%
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%	40%	41%
--	----	-----	-----

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	-76%	-60%	-59%
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>	69%	85%	150%
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 2012

Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2012 \$	2011 \$
Income	3,749,325	3,706,266
<i>less</i> Expenses	<u>3,388,183</u>	<u>3,016,854</u>
Operating Surplus / (Deficit)	361,143	689,412
<i>less</i> Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	740,379	1,025,116
<i>less</i> Depreciation, Amortisation and Impairment	1,027,494	981,691
<i>less</i> Proceeds from Sale of Replaced Assets	<u>34,103</u>	<u>193,335</u>
	(321,218)	(149,910)
<i>less</i> Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	149,633	1,050,975
<i>less</i> Amounts received specifically for New and Upgraded Assets	109,874	516,074
<i>less</i> Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>-</u>	<u>24,545</u>
	39,759	510,356
Net Lending / (Borrowing) for Financial Year	<u>642,601</u>	<u>328,966</u>

District Council of Elliston

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

Note 17 – SUPERANNUATION

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

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2011/12; 9% in 2010/11). 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 Scheme's Trustee based on advice from the Scheme's Actuary. The rate is currently 6.3% (6.3% in 2010/11) of "superannuation" salary.

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 Fund is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by each employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

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

District Council of Elliston

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

Note 18 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET

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

1. LAND UNDER ROADS

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

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

2. LEGAL EXPENSES

Council is the employer of staff. From time to time, prior to the expiration of employment contracts, as a result of disputes or otherwise, Council may be subjected to separation payments associated with such contracts. When such instances occur it is difficult to quantify the amount and impact, if any, on Council's operating budget and result.

3. "CARBON" TAX

From 1 July 2012 a new tax on emissions of certain "greenhouse" gases commences operation. Council has a number of garbage landfill facilities which emit, and will continue for many years to emit, gases of this type. Information currently available provides assurances that "legacy emissions" from garbage placed in landfills prior to commencement of the tax will not subsequently become liable to the tax. However, details of the mechanisms for measuring such emissions, or of providing the exemption are not currently available.

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

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

Chief Executive Officer's Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

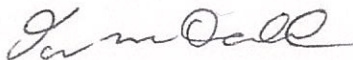
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

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

Auditor's Opinion

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



IAN G MC DONALD FCA
CHARTERED ACCOUNTANT
REGISTERED COMPANY AUDITOR Liability limited by a scheme approved under Professional Standards Legislation

Signed 30 day of November 2012, at Eastwood, South Australia

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

PO Box 75
Henley Beach
SA 5022

Mobile: 0419 620 906
Residence: 8356 0825
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District Council of Elliston

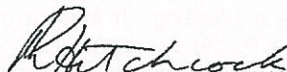
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2012

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the District Council of Elliston for the year ended 30 June 2012, the Council's Auditor, Ian Mc Donald FCA, 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*.


.....
Nikki Meredith
ACTING CHIEF EXECUTIVE OFFICER


.....
Peter Hitchcock
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 28 November 2012

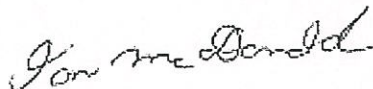
District Council of Elliston

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of the District Council of Elliston for the year ended 30 June 2012, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



Ian G McDonald FCA

Dated this 8 day of November 2012

ATTACHMENT 2: EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION (EPLGA) ANNUAL REPORT

EPLGA

ANNUAL REPORT 2011/12



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION



PRESIDENT'S REPORT

As always, the Eyre Peninsula Local Government Association has involved itself with a variety of issues and projects. Over the past two years, our workload has included the usual responses to legislation and other changes likely to affect us, but we have also spent more time taking a coordination role in a number of operational issues, including regional training opportunities.

Coastal Councils have been actively participating in the roll out of both state and federal Marine Parks around our coastline, as well as advancing regulations designed to manage recreational catch limits of specified species. Both these issues have been championed by Mayor Allan Suter and DC Ceduna, with the Far West of the state heavily impacted on both fronts. Recreational limits have recently been announced and this should see significantly less impact on King George Whiting catches by recreational fishers on Eyre Peninsula which has for decades seen practices that have been considered unsustainable. Outcomes from the sanctuary zoning announcements under the marine parks roll out have been greatly concerning with many watching the likely compensation calculations being determined. Some commercial sectors are claiming significant underestimation of catch values and it is likely that the process will have a way to go yet.

Other issues have included scrutinising the RDAWEP Rules and the decision of the state government to cease

funding RDA beyond 2013, mining expansion and land-use conflicts arising from some exploration activities as well as the perennial issue of water security.

We are currently preparing our next Eyre Peninsula Roads Strategy which has a number of road issues that will need to be addressed, including gazetted routes for freight movements. We are also reviewing our Charter and developing a new Management Plan.

In addition, the EPLGA has coordinated the regional delivery of Certificate IV in OHS which is being undertaken by 8 of our Risk Officers from Councils. The workshops are held approximately each month at a venue on EP and the group is finding the cooperative effort of great assistance. We also assisted Norman Waterhouse to locally deliver Rates Training to another group and five of our Works Managers undertook the Road Safety Assessors Course delivered at Port Lincoln by Uni SA. I would suggest that this should be an on-going role of EPLGA to coordinate regional delivery of accredited training to our Councils. While uptake of regional workshops through the LGA was poor last year, it seems that there is interest in higher level training delivered regionally.

The highly successful Annual Conference was this year very ably hosted by Streaky Bay and was again an unqualified success, from all reports. The speakers were carefully chosen to deliver strong local government input and highlighted success stories, key legal issues, planning frameworks, inputs from partner organisations as well as plenty of networking. My thanks also go to Mayor Eddie Elleway for deputising for me at this event which I was unfortunately unable to attend. We have enjoyed a number of guest speakers at our regular Board meetings and they presented across a range of topics. In September 2011, we also welcomed President Kym McHugh and Minister Russell Wortley to our Tumby Bay Board meeting.

Finally, the support of both Eddie as Snr Vice president, and Mayor John Schaefer, Jr Vice President has been most appreciated. We have been very ably assisted by Diana Laube as Executive Officer and with support from staff at RDAWEP. Over the coming months, Diana will be retiring and we expect to have a new Executive officer by January 2013. On behalf of EPLGA members I commend and thank Diana for her dedication, her advice and support. She has played a valuable role in furthering the objectives of EPLGA and I wish her well for the future. The 2012/13 year is shaping up to be another busy one that will no doubt present us with plenty of issues to follow.

The contribution of all Members has continued to make EPLGA a united voice and it is through this unity that we will achieve our goals.

MAYOR JULIE LOW

MEMBER COUNCILS 2011/12

- 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

REPRESENTATIVES:

At the 75th AGM of the Eyre Peninsula Local Government Association, held at Kimba on 9th December 2011, the following Office Bearers were confirmed for the 2011/12 financial year:

PRESIDENT: Mayor Julie LOW (DC Lower Eyre Peninsula)

SNR VICE PRESIDENT : Mayor Eddie Elleway (DC Franklin Harbour.)

JUNIOR VICE PRESIDENT: Mayor John Schaefer (DC Kimba)

Our President and Snr Vice President are our nominated representatives to SAROC and State Executive Forums.

Other local government representatives to regional Boards have been as follows:

RDA Whyalla and EP BOARD:

Mayor Jim Pollock (City of Whyalla)
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 Bruce Green (City of Port Lincoln)

ANNUAL MEETING SCHEDULE, 1981-2020.

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:

2000 DC Franklin Harbour
2001 DC Cleve
2002 DC Streaky Bay
2003 DC Elliston
2004 DC Tumby Bay
2005 Whyalla CC
2006 DC Ceduna
2007 DC Lower Eyre Peninsula
2008 DC Kimba
2009 DC Wudinna
2010 DC Franklin Harbour
2011 DC Cleve
2012 DC Streaky Bay
2013 DC Elliston
2014 DC Tumby Bay
2015 Whyalla CC
2016 DC Ceduna
2017 DC Lower Eyre Peninsula
2018 Port Lincoln CC
2019 DC Kimba
2020 Wudinna DC

The 2013 conference will be held on Monday 25th February 2013 at Elliston.

BOARD MEMBERS FOR 2011/12

Under the terms of our Charter, the following Board appointments were current as at June 30th, 2011:

Ceduna	Allan Suter (Mayor) Lynton Brown (D/Mayor)
Cleve	Roger Nield (Mayor) Jodie Jones (D/Mayor)
Elliston	Pat Clarke (Chair) Kym Callaghan (Dep Ch)
Franklin Harbour	Eddie Elleway (Mayor) Gavin Jackson (Dep Mayor)
Kimba	John Schaefer (Mayor) Dean Johnson (Dep 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 (Dep Mayor)

Tumby Bay

Laurie Collins (Mayor)
Murray Mason (Dep Mayor)

Whyalla

Jim Pollock (Mayor)
Merton Hodge (Cr)

Wudinna

Tim Scholz (Chair)
Neville Scholz (Dep Ch)

REPORT OF ACTIVITIES, 2011/12

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

- State and federal Marine parks
- Recreation Fishing limits
- Various roads and waste issues
- Regional Strategy for LGA
- Emergency Planning
- Time Zones
- Water Planning
- Regional planning

Projects carried out 2011/12

Regional Training Projects

Following the recommendations of the One System Consultancy, we successfully sought funding through DFEEST for the running of *Certificate IV in OHS* on Eyre Peninsula. Eight Councils have participated with the relevant officer attending day long sessions approximately every month.

Route Assessors.

Road assessment has previously required Councils to source a route assessor from off EP, adding to the cost. However, Lower EP, Tumby Bay, Wudinna, Elliston and Ceduna councils have supported a regional approach which saw us engage UniSA to deliver the initial 3 day training at Port Lincoln.

Rates Training.

Councils strongly supported Norman Waterhouse's training for rates officers which was held at Wudinna on May 15th.

EPLGA Marketing

This project, using the services of CPR, has continued with the completion of the Stakeholder Survey early in 2012. Members clearly indicated strong support to raise the profile of EPLGA especially with both the state and federal governments. A key project is now the commissioning of a report on the mining expansion, including the population distribution by township. This will be of great assistance to Councils in their structure planning and in their future planning for infrastructure needs. Currently, we are waiting for final confirmation from the LGA that they are able to assist us in funding the next component of this on-going project.

Emergency Management Planning

After success at the Natural Disaster Mitigation Grant rounds, we were advised that our funds could be held over and we were invited to undertake the EMP project with Risk services. The preliminary meetings have occurred and the development meetings are scheduled later in August. With our grant funds, it is an ideal opportunity to ensure that any further training identified to strengthen our capacity to manage emergencies and to assess risks can be funded.

Coastal Inundation Planning.

For the past three years, the EPLGA has sought funding to develop regional planning for coastal inundation predicted by CSIRO under various climate models. While we have not been successful yet, we were given \$20,000 through the LRGDS to tackle the question of the scale of digital elevation modeling (DEM) that was appropriate for regional councils.

We worked alongside the District Council of Tumby Bay who was keen to begin modeling as part of their structure planning approach. URPs have prepared a report on the decision making process and the options presented for regional Councils and Aerometrex performed the modeling for DC Tumby Bay.

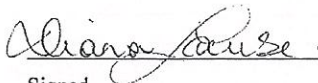
Use of Financial Resources.

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

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION (EPLGA) AUDITED FINANCIAL STATEMENTS

CHIEF EXECUTIVE OFFICER'S STATEMENT

I, DIANA LAUBE the person for the time being occupying the position of CHIEF EXECUTIVE OFFICER of EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION do hereby state that the Financial Statements of the Association for the 30 June 2012 financial year are to the best of my knowledge presented fairly and in accordance with accounting procedures which have been maintained in accordance with the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 1999* made under that Act.


Signed _____


Dated 9th October 2012.

STATEMENT OF THE BOARD OF MANAGEMENT MEMBERS

In the opinion of the Board of Management of the Eyre Peninsula Local Government Association the accompanying Financial Report attached hereto, are drawn up so as to present fairly the results of the Association for the year ended 30 June 2012, and the state of affairs of the Association as at 30 June 2012, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Signed 11th day of October 2012

in accordance with a resolution of the Board of Management


_____ Member
Or Julie Katherine How

_____ Member

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

5. MEMBERSHIP FEES

District Council of Ceduna	13,597	11,752
District Council of Cleve	10,184	8,802
District Council of Elliston	8,628	7,457
District Council of Franklin Harbour	8,923	7,712
District Council of Kimba	8,596	7,429
Wudinna District Council	8,998	7,777
District Council of Lower Eyre Peninsula	15,287	13,212
District Council of Streaky Bay	10,445	9,027
District Council of Tumby Bay	11,497	9,937
City of Whyalla	25,403	21,955
City of Port Lincoln	18,442	15,940
	<u>140,000</u>	<u>121,000</u>

6. TRADE & OTHER PAYABLES

Accrued Expenses – employee entitlements	6,732	4,391
Trade Creditors	4,161	27,807
Payroll Liabilities	2,826	2,556
	<u>13,719</u>	<u>34,754</u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

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

2. PROJECTS

	1/7/2011 Brought Forward	Income	Expenditure	Project Management	Unspent
Regional Capacity Building	49,136	55,780	75,914	3,000	26,002
EP Coastal Development Strategy	654	-	-	-	654
Human Resource Consultancy	40,008	-	40,556	-	(548)
Road Assessor Training	-	10,691	10,947	-	(256)
Cert IV Training	-	22,866	27,707	-	(4,841)
Project – Other	-	10,000	-	-	10,000
	<u>89,798</u>	<u>99,337</u>	<u>155,124</u>	<u>3,000</u>	<u>31,011</u>

	2012 \$	2011 \$
Bank SA Cheque/Savings	20,357	6,423
Bendigo Term Deposit	130,514	124,540
LGFA (at call)	87,796	160,700
	<u>238,667</u>	<u>291,663</u>

4. RECEIVABLES

Debtors	4,704	-
GST receivable	13,501	7,006
Accrued Interest	1,480	2,000
	<u>19,685</u>	<u>9,006</u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

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

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Local Government Act 1999.

The financial report has been prepared in accordance with the requirements of the Local Government Act 1999 and the following Australian Accounting Standards.

AASB 1031 Materiality
AASB 110 Events after the Balance Sheet Date
AASB 119 Employee Benefits
AASB 107 Cash and Cash Equivalents.

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

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

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Liabilities for employee benefits not expected to be paid or settled within 12 months are measured using a shorthand method which produces a result not materially different from the liability measured using the present value of expected future cash outflows method. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

BALANCE SHEET
As at 30th June 2012

	Note	2012 \$	2011 \$
ASSETS			
Cash and cash equivalents	3	238,667	291,663
Receivables	4	19,685	9,006
TOTAL CURRENT ASSETS		<u>258,352</u>	<u>300,669</u>
LIABILITIES			
Trade and other payables	6	13,719	34,754
Unspent Grants	2	<u>31,011</u>	<u>89,798</u>
TOTAL LIABILITIES		<u>44,730</u>	<u>124,552</u>
NET ASSETS		<u>213,622</u>	<u>176,117</u>
ACCUMULATED FUNDS			
Balance brought forward		176,117	144,446
Change in Financial Position Resulting from Operations		37,505	31,671
ACCUMULATED FUNDS AT THE END OF THE FINANCIAL YEAR		<u>213,622</u>	<u>176,117</u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

INCOME STATEMENT
For the year ended 30th June 2012

	Note	2012 \$	2011 \$
INCOME			
Interest Received		13,244	16,169
Membership Fees	5	140,000	121,000
Reimbursable Expenses		282	-
Project Management Fees		3,000	3,000
		<u>156,526</u>	<u>140,169</u>
EXPENSES			
Administration		9,444	10,426
Audit Fees		1,530	1,240
Bank Charges		826	500
Computer Expenses		287	1,258
Employee Expenses		69,980	61,644
Insurance		5,059	5,378
Marketing & Promotion		652	56
Meeting Expenses		3,313	3,828
President's Expenses		1,500	1,750
Secretarial Service		17,000	16,500
Telephone		564	319
Travel Expenses		8,271	5,599
Training Expenses		595	-
		<u>119,021</u>	<u>108,498</u>
SURPLUS/(DEFICIT)		<u><u>37,505</u></u>	<u><u>31,671</u></u>