



**The Flinders
Ranges Council**

ANNUAL REPORT 2012-2013

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Adopted

12 November 2013

VISION

An engaging community which enjoys a sustainable, contemporary lifestyle and flourishing economy within an unspoilt natural environment

OBJECTIVES

- ✓ We have the essential infrastructure necessary to grow our communities
- ✓ Our community has equitable access to essential services
- ✓ Provide innovative solutions to grow delivery of services
- ✓ Maintain the lifestyle advantages and values our community treasures
- ✓ Population growth aligning with community values and needs
- ✓ Future focussed new industry and jobs growth
- ✓ We have a productive innovative residential population
- ✓ Growing awareness intra and interstate of our lifestyle and economic advantages
- ✓ We conserve our surrounding unspoilt natural environment and built heritage
- ✓ We have reduced our reliance on and use of grid power and reticulated water
- ✓ Our community is recognised for its sustainability initiatives
- ✓ Council leadership drives community action in reducing our carbon footprint
- ✓ We maximise partnerships to deliver services, facilities and infrastructure
- ✓ 'Continuous improvement' underlies our core values and practices
- ✓ Our focus is on engaging our community in local government
- ✓ Sound governance meeting contemporary standards and legislation
- ✓ Responsible business and people management

CONTENTS

COUNCIL PROFILE	5
Basic Statistics	5
Local Industries	5
Major Tourist Attractions.....	5
Council	5
Elected Members	6
Elector Representation	6
Elected Members' Allowances.....	7
Senior Executive	7
Use of Confidentiality Provisions	7
Regional Subsidiaries.....	8
Human Resources.....	8
Council Organisation Structure.....	8
MAYOR'S REPORT.....	9
OFFICERS' REPORTS.....	11
Chief Executive Officer	11
Works Manager	13
Development Officer.....	16
Environmental Health Officer.....	17
PUBLIC PARTICIPATION AND ACCESS TO COUNCIL DOCUMENTS	18
Public Participation.....	18
Other Information Requests.....	18
Public Consultation.....	19
Internal Review of Council Decisions.....	19
Freedom of Information	20
Amendment of Council Records	20
Application of National Competition Policy to Local Government.....	21
Procurement - Competitive Tender and Local Purchasing.....	21
Public Access to Council Documents	21
Training and Development Opportunities for Elected Members	21
Strategic Management Plan	21
Annual Business Plan.....	22
Long Term Financial Plan.....	22
Community Land Management Plan.....	22
Auditor's Remuneration	22
Decision Making Structure.....	22
Volunteers	22
WHS and Risk Management	23

STAFF	24
Administration	24
FRVIC	24
Operations.....	24
Contract Staff	24
Seasonal Staff.....	24
Senior Officers (included above)	24
OTHER	25
Registers	25
Governance and Community Development	25
Distribution of Information.....	25
2013 Australia Day Awards	25
COUNCIL COMMITTEES AND DELEGATES	26
Council Committees	26
Council Delegates	26
Policies.....	28
Delegations	29

COUNCIL PROFILE

Basic Statistics

Area	4,128 square kilometres
Population	1,702 (ABS Census 2011)
Sealed Roads	27 kilometres
Unsealed Roads	1,236 kilometres
Number of Rateable Properties	1,582
Total Revenue (including Rates)	\$4,070,512
Rate Revenue (including CWMS & Garbage)	\$1,750,311
Total Expenditure	\$4,036,715
Total Capital Expenditure	\$1,561,768

Local Industries

Tourism, pastoral, mixed farming, general light industry, film.

Major Tourist Attractions

The beautiful Flinders Ranges
Pichi Richi Railway
Quorn
Hawker
Hawker Panorama
Warren Gorge
Pichi Richi Marathon
Hawker and Quorn Races
Quorn Agricultural Show

Council

The Council consists of a Mayor (elected at large) and eight Councillors with each Member representing the whole community. Council elections are controlled by the Electoral Commission of South Australia and conducted by postal ballot. The next periodic election is scheduled to be held in November 2014. Council currently has one vacancy.

Council meets on the second Tuesday of the month and meetings, open to the public, commence at 6.30 p.m.

Meetings are held at Quorn at the Quorn Civic Centre, 1 Seventh Street Quorn, in January, February, April, May, July, August, October and November.

Meetings are held at Hawker at the Hawker Memorial Hospital Community Room, Cradock Road Hawker, in March, June, September and December.

Elected Members

2010-2014

Mayor	Peter Slattery
Deputy Mayor	John Shute
Councillors	Ken Anderson Jannene Cannard (resigned June 2013) Ronald Daniel Bronwyn Filsell Gary Lucas Garry Thompson Kathleen Walsh

Elector Representation

Number of Electors (as at 1st February 2013) 1,203

All Councils classified Rural Agricultural Small (RAS) under Australian Classification of Local Government

Council	Elected Members	Electors	Wards	Ward Quota
Cleve	8	1,290	1	161
Elliston	8	882	1	110
Flinders Ranges	9	1,203	1	133
Franklin Harbour	6	958	1	159
Karoonda-East Murray	7	799	1	114
Kimba	7	839	1	119
Orroroo Carrieton	7	718	1	102
Robe	7	1,382	2	197
Streaky Bay	8	1,582	2	197
Wudinna	7	936	1	133
Average excluding FRC	7	1,043	1	149

Neighbouring Councils classified Rural Agricultural Medium (RAM) under Australian Classification of Local Government

Council	Elected Members	Electors	Wards	Ward Quota
Mount Remarkable	7	2,325	4	332
Peterborough	9	1,289	1	143
Northern Areas	9	3,549	4	394

Neighbouring Councils classified Urban Regional Small (URS) under Australian Classification of Local Government

Council	Elected Members	Electors	Wards	Ward Quota
Port Augusta	10	9,093	1	909

Council conducted a review of its representation quota in 2012-2013 pursuant to Section 12(4) of the Local Government Act 1999. Councillors decided to retain 8 councillors plus a Mayor. This was approved by the Commissioner pursuant to Section 12(13)(a) of the Local Government Act 1999 and published in the Government Gazette on 23 May 2013. Next review due in 2020-2021.

Section 12 of the Local Government Act 1999 detailed the procedures that were available to electors to make submissions on representation under this Act.

Elected Members' Allowances

Allowances are determined in accordance with the Local Government Act 1999 and the Local Government (Members Allowances and Benefits) Regulations 2010.

Allowances paid are:

➤ Mayor	\$21,700.00
➤ Deputy Mayor	\$ 6,781.25
➤ Elected Member	\$ 5,425.00

In accordance with the Local Government (Members Allowances and Benefits) Regulations 2010 members are reimbursed for prescribed out-of-pocket expenses incurred while representing Council on official duties.

Allowances are determined by the Remuneration Tribunal which is outside the control of Council and appointed by State Government. Allowances are indexed annually.

Senior Executive

Three (3) Senior Executives are employed on a negotiated contract basis. The contracts do not provide bonuses, but some contracts include an allowance for telephone, reimbursement of work related call costs made from that telephone, internet and the use of a Council provided motor vehicle for business and private use. Refer to page 18 for further clarification.

Use of Confidentially Provisions

All Council and Council Committee meetings are open to the Public.

Section 90(2)& (3) of the Local Government Act 1999 provides Council with the authority to consider certain defined matters on a confidential basis and specify a time period for review of the confidentiality order.

The following table summarises the use (Section 90(2)) and release (Section 91(7)) of matters considered in confidence under Section 90(2) of the Local Government Act 1999 since the last Annual Report:

Date	Sec 90(2) Purpose	Council Resolution No.	Sec 91(7) Next Review Date	Sec 91(7) Release Date
14 Feb 12	90(3)(h)	027/2012	01 Apr 14	
14 Aug 12	90(3)(d)	181/2012		11 Sep 12
13 Nov 12	90(3)(h)	244/2012	13 Nov 13	
09 Apr 13	90(3)(h)	065/2013	01 Apr 14	
09 Apr 13	90(3)(h)	065/2013	01 Apr 14	
11 Jun 13	90(3)(k)	127/2013		10 Sep 13
09 Jul 13	90(3)(h)	133/2013	13 Aug 18	

Regional Subsidiaries

Council is a member of the Central Local Government Region of South Australia Incorporated, a Regional Subsidiary created under the provisions of Section 43 of the Local Government Act 1999.

The annual financial report of the Regional Subsidiary is incorporated in the Annual Report as required by Clause 28 of Schedule 2 to the Local Government Act 1999. The full report is available at the Council office or at the Region's office, Crystal Brook.

Council is a "*relevant Council*" of the Flinders Regional Development Assessment Panel pursuant to Section 34(3) and Schedule 29 of the Development Act 1993.

The Annual Report of the Flinders Regional Development Assessment Panel is incorporated in the Annual Report.

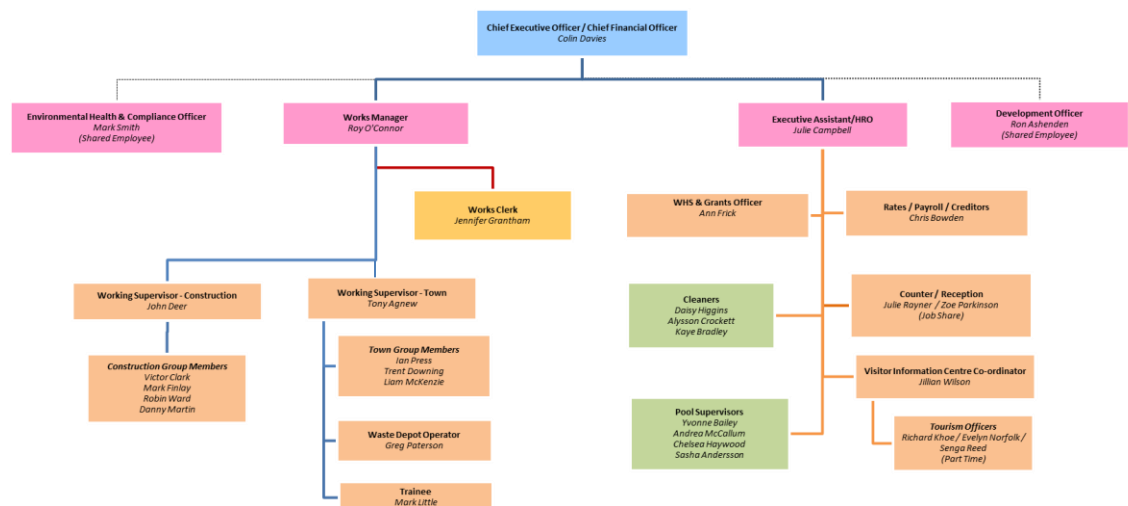
Human Resources

The Flinders Ranges Council is an equal opportunity employer.

As at 30 June 2013, The Flinders Ranges Council employed 11 FTE males and 7 FTE females. Council currently employs no one with a registered disability and 1 person of Aboriginal & Torres Island decent.

Council Organisation Structure

The following diagram shows the staff organisation structure of The Flinders Ranges Council as at 30 June 2013:



Above the Chief Executive Officer sits the Senior Leadership Team (Mayor, Chief Executive Officer, Works Manager and Human Resources Officer / Executive Assistant). Above the Senior Leadership Team sits the Council (Elected Members).

MAYOR'S REPORT

It's always an interesting exercise looking back at the past year, and to reflect on the achievements, challenges, changes and activities of that time. As is often the case, a number of the bigger projects of the Council are spread across more than one year so we've seen continuing progress on the sealing of Arden Vale Road, on the identification of works required for refurbishment of the ageing Quorn Swimming Pool, as well as continuing engagement and lobbying toward a resolution of the Hawker water quality problems and the Little Corella pest/nuisance issues. As we proceed steadily into another year, these projects will also continue alongside all the more "usual" activities of Council such as maintenance and ongoing development of roads, parks, gardens and town amenities, waste management and the myriad compliance roles Council fulfils in areas such as building, planning, health and representing our resident's interests in various forums.

Council has undertaken a number of policy and procedural reviews to ensure we operate appropriately in today's changing environment and that the procedures and systems in place provide sound guidance and direction to those involved in Council operations and decisions, including the periodic Representation Review (which culminated in a recommendation of no change to the make-up and structure of the Council's elected body), and continues to seek opportunities to work in partnership with neighbouring Councils and other Government bodies to achieve better outcomes for our region.

We are well served by the vital volunteers in our community, and as always we enjoyed a number of great community events which help to strengthen the sense of identity and cohesion across the area – events like the Hawker and Quorn races, the Quorn Show and the Hawker craft mart are all terrific drawcards for visitors to the towns. They provide great social events for our residents too, and all those involved are doing a great job in keeping these events going for everyone's benefit.

We have been particularly fortunate this year to have had significant developments for the benefit of the town provided by the Quorn Cricket Club with the new turf pitches in the Quorn Town Oval, and the Quorn Community Sporting Association with the new relocated netball and tennis courts at the Quorn Oval. These are substantial steps toward the consolidation of sporting and social infrastructure in Quorn along similar lines to that which the Hawker community undertook a number of years ago and which works extremely well for them.

The long awaited relocation of the Flinders Ranges Visitor Information Centre (FRVIC) into the Quorn Railway Station, which was well underway at this time last year, has proven to be a great success in consolidating the Pichi Richi Railway Preservation Society (PRRPS) souvenir and ticketing with the FRVIC – visitor numbers have been much stronger, and the combined facility was officially opened in April. The works contributed by PRRPS volunteers to refurbish the building for the relocation were a real credit to the organisation, and we look forward to a productive association for the development and promotion of tourism across the region.

There was a real buzz of interest and excitement as we hosted a few movie crews on the past year – the biggest being "Tracks" in October, where the streets were covered in dirt and modern fittings removed to give Quorn the look of years ago, with street closures and building fit-outs to add to the feel; and "The Rover" in January, which stimulated a mild media frenzy due to one of the stars and which took place around the district over a number of weeks. Such promotion and recognition of the special nature of the place we live is always nice to see, and it continues the long tradition of filmmakers coming to the Flinders for our magnificent scenery and streetscapes.


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The year has seen a number of challenges and difficulties for Council, both in governance and operational areas, as well as some staff and structural changes. Our staff are highly visible as they go about their work in and around the towns, and are to be acknowledged and thanked for their commitment to the community.

I would particularly acknowledge the staff for their support and commitment to the Council, our residents and communities as we negotiate matters as they arise. Also, the Elected Members who represent our community and contribute to the decision making processes for the benefit of all our futures, including Cr Jannene Cannard who stepped down during the year.

Ultimately, as the elected body, we are representing the interests of our residents and ratepayers to the best of our ability and thank you for your trust and confidence in us, and feedback and input on matters before and affecting Council and the community. I endorse and submit this report on the activities and situation of The Flinders Ranges Council over the last reporting year, and look forward to another productive and progressive year ahead.

Peter Slattery
Mayor

	GOVERNANCE ANNUAL REPORT	Version Number Issued Last Review Next Review GDS	5 October 2009 October 2013 October 2014 18.68.1.1
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OFFICERS' REPORTS

Chief Executive Officer

The 2012-2013 year proved to be another solid year of achievements for The Flinders Ranges Council. The Mayor has previously highlighted some of these such as Arden Vale Road construction and sealing; Hawker Desalination Plant; Flinders Ranges Visitor Information Centre colocation at the Quorn Railway Station; new Tennis / Netball Courts and turf wicket at the Quorn Oval to name a few.

Council communicates with its community through the monthly Newsletters, Council's website and Council's Facebook page. Council also advertises and places articles in the Quorn Mercury, Hawker Town Crier, Flinders News and Transcontinental on a regular basis.

Public consultation undertaken during the year included the Annual Business Plan 2013-14, Budget 2013-14 and Long Term Financial Plan 2013-33; a range of updated Council policies; Quorn & Districts War Memorial Swimming Pool; Little Corellas; Elector Representation Review; Elector Representation Report; and Cradock Road.

Roy O'Connor was appointed to the Works Managers position in December 2012. Roy came from the Regional Council of Goyder and brings with him a wealth of experience. Lee Braddy (who was Acting Works Manager until Roy's engagement) and Lyn Fatchen both retired at the end of the financial year after many years' service to Council and the community.

I thank all staff for their continued dedication and hard work in serving The Flinders Ranges Council community. Their efforts to improve the lives of others is very much appreciated by myself, the elected body and the community in general. I look forward to continued support in improving services and infrastructure.

Council undertakes corporate services work for both the District Council of Orreroo Carrieton and Outback Community Authority. Council supports the Flinders Shared Services Group utilising a shared Development Officer, Environmental Health Officer and Northern Passenger Transport Network. Council also shares the costs of running Northern Waste Management Service supporting the District Council of Orreroo Carrieton. Council remains committed to seek collaborative opportunities through both the Flinders Shared Services Group and other mechanisms to both increase services and save costs.

Council is very successful in obtaining grants, with 2012-2013 being no exception, most of which were competitive. The Flinders Ranges Council is one of the few councils around Australia that has secured two Regional Development Australia Fund grants (received \$831,520 in the first round Regional Development Australia Fund for the Energising the Flinders project and \$500,000 in Round 3 for refurbishment of the Quorn & Districts War Memorial Swimming Pool); \$763,000 from Special Local Roads Grant for Stage Two of Arden Vale Road upgrade; and various smaller grants totalling over \$50,000. Council also supported several successful grant applications on behalf of sporting and community groups, the most noticeable of which was for the Quorn Community Sporting Association application for relocation of tennis and netball courts for \$200,000. Council actively seeks additional funding opportunities to enhance Council's sustainable provision of infrastructure and services and improve the quality of life for its residents and businesses.

The Flinders Ranges Council supports a range of community events which attract many people to the Council district. Some of the major events proudly supported by Council are Pichi Richi Marathon; Quorn Agricultural Show; Hawker Races; Quorn Races; and Hawker Craft Market.

In addition, and as mentioned by the Mayor, Council provides ongoing support to the film industry and actively promotes the region as an ideal location for filming.

The Elected Members strive to improve services and infrastructure with a limited budget, which at times is a hard balancing act between services, infrastructure and rates. The Elected body are keen to keep the community engaged in the decision making process and always welcome community input.

The sustainable provision of a wide range of services and maintenance of infrastructure remains a key challenge for our Council, which continues to pursue alternative service delivery models including shared services.

The 2012-2013 financial year was again very demanding for staff with the introduction of new legislation by the State Government, adding additional cost and compliance requirements for Council and ultimately ratepayers. There is yet more changes to come as the State Government looks at new ways to raise their revenue at the expense of Local Government and ratepayers. This ongoing “cost-shifting” by the State Government continues to be a burden on the community through increased rates and, to a lesser degree, increased fees and charges.

Colin Davies
Chief Executive Officer

Works Manager

The Works Department operated with a small group of employees who contributed to the completion of the approved works program, both construction and maintenance and other capital works and maintenance of Council's diverse range of infrastructure and buildings throughout the district.

Plant Replacement Program

To support staff, expenditure has occurred to provide replacement plant and machinery and included:

- Skid steer loader
- Two Four-Wheel drive dual cab utilities
- Various small plant and machinery for maintenance of townships including chainsaws, polesaw and blower vacs.

Capital Works Projects

- Construction of concrete water table in Sixth Street, Quorn
- Reconstruction of verges on Sixth Street, Quorn and placement of hot-mix bituminous material to verge area
- Reconstruction of Silo Road and Park Terrace intersection and placement of hot-mix bitumen material to intersection area
- Installation of irrigation pump at the Quorn Town Bore Site to irrigate the Town Oval
- Installation of concrete spillways to the Hawker Town Dam
- Rehabilitation of the original Quorn Town landfill/dump site with materials being placed in the last landfill trench at the Quorn Waste Transfer Station and capped with suitable material
- e-Waste containers (2 at Hawker Landfill and 2 at Quorn Waste Transfer Station) – obtained through Zero Waste SA Grant funding with a contribution from Council. The provision of the containers allows members of the public to dispose of their e-waste free of charge
- First Street, Quorn – an upgrade of the median strip between West Terrace and Fourth Street occurred. This was cleared and replanted with native species, enhancing and beautifying the locality
- Recreational Vehicle (RV) Dump Points – Council commenced the installation of the dump points in Quorn (opposite the Stockyard Arena on Silo Road) and Hawker (Blue Burt Park). Grant funding was obtained through the Campervan & Motorhome Club of Australia Limited.

Playgrounds

Two of the playgrounds within the Council District (Hawker Sporting Community and Thompson Memorial Playground, Quorn) were substantially upgraded during this period. The upgrades were in line with the 4 Year Plan for playgrounds adopted by Council.

Railway Terrace, Quorn

Planning commenced during 2012-2013 for the upgrading of Railway Terrace, Quorn. This will involve the upgrading the public toilets, information bay, streetscape and involve the installation of picnic tables, disabled ramps and the planting of water-wise native groundcovers and shrubs.

	GOVERNANCE ANNUAL REPORT	Version Number Issued Last Review Next Review GDS	5 October 2009 October 2013 October 2014 18.68.1.1
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Quorn Town Oval

The Quorn Town Oval has undergone major development during 2012-2013. The relocation of the Tennis / Netball Courts occurred with the Quorn Sporting Association organising contractors to install four new courts costing in the vicinity of \$400,000. Facility has a positive traction, quick dry surface, and include tennis, netball and basketball courts.

The Quorn Cricket Club was also busy during their off-season with the preparation of five turf cricket pitches to replace the existing pitch. The pitches were installed by the Cricket Club at a cost of over \$30,000 and will be maintained by the Club.

Council appreciates the work done by the Quorn Sporting Association and Quorn Cricket Club to improve their facilities and to draw outside clubs to the facilities and to hold events in the town.

Quorn & Districts War Memorial Swimming Pool

Opening for the 2012/2013 season was delayed due to an urgent and essential investigation of the condition and remaining life of the main pool. The pool was filled in October 2012 after winter repairs and further testing identified two additional leaks which required emptying of the pool and significant structural works to rectify.

The pool was able to be opened on the 7th December 2012.

Council commencing investigating and preparing grant applications for a major refurbishment of the Quorn & Districts War Memorial Swimming Pool. Council was successful in securing a grant of \$500,000 from Regional Development Australia in May 2013 and continues to pursue other funding opportunities.

Reserves

Council undertakes a substantial slashing program following the autumn and winter rains. Council is focused on providing fire breaks around the Quorn, Hawker and Cradock Townships.

Reseal / New Seal

- 5km of new seal Arden Vale Road (Special Local Roads Project)
- Council allocated \$154,500 to town street resealing to the following streets:
 - Silo Road
 - Hospital Road
 - Stokes Terrace
 - Sixth Street - shoulders
- Council allocated \$368,200 to the following district road resheeting program:
 - Pinkerton Road 1.3 kilometres
 - Schmidt Road 550 metres
 - Devils Peak Road 1.2 kilometres
 - Yarrah Vale Road 2.4 kilometres
 - Warcowie Road 500 metres

Council Operations

Council maintains and operates:

- Two swimming pools.
- Two airports (sealed strip at Hawker and unseal airstrip at Quorn).
- Two cemeteries (Quorn and Hawker).
- Quorn has a waste transfer station with no landfill capacity with Hawker operating with landfill and separation of some materials.
- Community wastewater management schemes operate at both Hawker and Quorn with annual flushing and septic tank pump outs occurring in sections annually.

Dump Vouchers

Council continued to provide dump vouchers to ratepayers with their First Quarter Rate Notice. The vouchers include 6 green vouchers and one hard waste voucher and can be used at the Hawker Landfill or Quorn Waste Transfer Station during normal opening hours.

The take up rate by residents was significant with 539 green waste vouchers used along with 223 hard waste vouchers at both facilities during 2012-2013.

Roy O'Connor
Works Manager

Development Officer

The following table illustrates the number and value of development approvals by category for the current and the previous financial years:

Class	Description	2010-2011	2011-2012	2012-2013
		Number of Applications	Number of Applications	Number of Applications
1a	Dwelling or Dwelling Extension	9	12	7
1b	Boarding House, Guest House, Hostel	0	2	1
2	Building containing 2 or more units	0	0	0
3	Residential Building (eg aged)	1	0	1
4	A dwelling in a building that is Class 5 to 9 if it is the only dwelling the building	0	0	0
5	Office building	0	0	0
6	Shop or other building	3	1	2
7	Car park or building for storage, display of goods or produce for sale	0	1	2
8	Laboratory	0	0	0
9	Health Care building	0	0	0
10a	Non-habitable building or structure (eg verandah, garage, shed)	29	38	54
10b	Swimming Pool, fence mast or antenna	2	7	3
Land Division Applications		1	2	1
Total Applications & Development Cost		45 Total value: \$2,569,156	63 Total value: \$2,415,051	71 Total Value \$1,651,940

Council continues to receive enquiries relating to the sale of land within the Rural Landscape Protection Zone of Council's Development Plan. Unfortunately there is no satisfactory outcome in most cases, particularly for the vendor. Proceedings against an illegal building structure within this Zone were resolved with the structure to be returned to its original shed approval.

Council referred 3 applications to the Flinders Regional Development Assessment Panel, which were all refused. Of the 3 refusals, 2 appeals were lodged with the Environment, Resources and Development Court. One appeal was resolved during the reporting period and Council is continuing to work with its lawyers, Norman Waterhouse, to resolve the other appeal.

Building Fire Safety inspections have continued with more properties becoming compliant in the reporting period.

No significant projects occurred during the reporting period.

Ron Ashenden
Development Officer

Environmental Health Officer

Throughout the last 12 months, responses to a number of submission requests from the LGA and SA Health have been made. These submissions were relating to proposed and enacted regulation changes that are to occur or have been enacted over a period of time in both food compliance and assessment and public health practitioner sectors. Submissions related to areas such as:

- Notification of Food Businesses and Fees Charged
- SA Public Health Act – Implementation of Regulations
- Safe Drinking Water Act
- Local Environmental Nuisance Bill
- The Water Industry Regulations 2012

Key statistics for the 2012/2013 Financial Year:

- 36 inspections conducted with all High Risk Food Businesses inspected.
- 2 written warning issued
- 1 Improvement Notice issued
- 2 Expiation Notices issued
- 2 complaints received relating to unclean premises (which were substantiated in part).
- 3 Legionella inspections were conducted

Due to the remoteness and services availability within our regional Council district the Council offers for sale digital food thermometers for use by food businesses throughout the area. These temperature measure devices meet with requirements of the Food Standards. The service is well received by food business operators in remote areas.

Council provides temperature validation tabs (accurate to within +/- 1 degree centigrade). The thermal temp-tabs are distributed to certain food businesses to assist in the mitigation of risk from potential transmission of harmful pathogens. Temp-tabs may assist food businesses in mitigating risks through allowing for thermal operational checks on equipment such as dishwashers and equipment used for laundering services associated with food service. For example this may be associated with laundering of, protective clothing, dish-clothes and cotton food service drying towels, or to assist in validation of other thermal pasteurisation steps being undertaken in connection with the business operation. Food operators continue to provide positive feedback for assistance in attempting to mitigate risks thorough ability to use measurable outcomes.

Council offers Food Safety Information Sessions, run by Council's Environmental Health Practitioner for those operators who have had no food safety knowledge training, for those that have been out of the food processing sector or not kept up with current food safety requirements and advancements. Since its inception in 2009 these training information sessions continue to be well received from attendees and supported by those attendees written response outcomes. During this reporting period 2 training sessions were held at Quorn (August 2012) and Wirrabara (January 2013).

Other Matters attended to during the reporting period:

- Old Toilet Block behind Grandstand, Quorn Town Oval
- Bird Control – Quorn Oval Grandstand & Hawker Information Bay

Mark Smith
Environmental Health Officer

PUBLIC PARTICIPATION AND ACCESS TO COUNCIL DOCUMENTS

Public Participation

Council Meetings are open to the public and residents are invited to attend all and any meetings to obtain a better understanding of the workings of Council.

Deputations and presentations to Council can occur subject to a written request being made to Council and addressed to the Mayor.

Petitions can also be presented to Council on any issue that is within Council jurisdiction.

Access to Council Documents:

The following documents are available for public inspection at the Council office.

- Agenda and Minutes
- Strategic Plan
- Policy Manual
- Annual Business Plan
- Long Term Financial Plan
- Annual Report
- Financial Report
- Development Plan
- Development Application Register
- Assessment Book
- Voters Roll
- Register of Members Allowances and Benefits
- Register of Employee's Salaries, Wages and Benefits
- Community Lands Management Plan
- Animal Management Plan
- Community Emergency Response Management Plan
- Register of Dogs.

Printed copies of the above are available for a charge or are freely available on Council's website: www.frc.sa.gov.au

Other Information Requests


Requests for other information will be considered and may be determined in accordance with the Freedom of Information Act 1991.

An application and search fee will be required to be lodged with any application for information under Freedom of Information Act 1991.

Any request for information should be addressed to the:

Chief Executive Officer, The Flinders Ranges Council, PO Box 43, Quorn SA 5433

And should detail the information required and the intended use of that information. Any Freedom of Information application should be made on the correct form, be accompanied by the applicable fee and will be assessed within the statutory period required under the Freedom of Information Act 1991.

	GOVERNANCE ANNUAL REPORT	Version Number Issued Last Review Next Review GDS	5 October 2009 October 2013 October 2014 18.68.1.1
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Public Consultation

The Flinders Ranges Council has adopted a Public Consultation Policy in accordance with Section 50 of the Local Government Act, 1999. This policy was formally reviewed by Council on 14 August 2012.

The following steps will be taken by Council to fulfil the requirements of the Public Consultation Policy. Council's management executive, in consultation with Council as deemed necessary, will:

- identify stakeholders relevant to the consultation topic;
- decide the key messages to deliver to stakeholders;
- identify the parameters of the consultation initiative, that is, what aspects of the decision can be influenced;
- identify a range of appropriate options for communicating information to stakeholders and inviting involvement – “the communication strategy”;
- identify a range of appropriate consultation initiatives – “the consultation strategy”;
- identify contact person(s) for interested parties to obtain further information;
- identify timeframes relevant to the consultation initiative. Council will aim to provide 14 days notice of any consultation forums or opportunities, and ensure a period of 21 days is allocated from the date of inviting involvement to the final closing date for submissions;
- determine responsibility for:
 - implementing the communication and consultation strategy;
 - reporting to Council on the outcomes;
 - providing feedback about the decision to participants; and
 - ensuring appropriate records are kept.


Internal Review of Council Decisions

The Flinders Ranges Council is committed to transparent decision-making processes, and to providing access to a fair and objective procedure for the internal review of decisions.

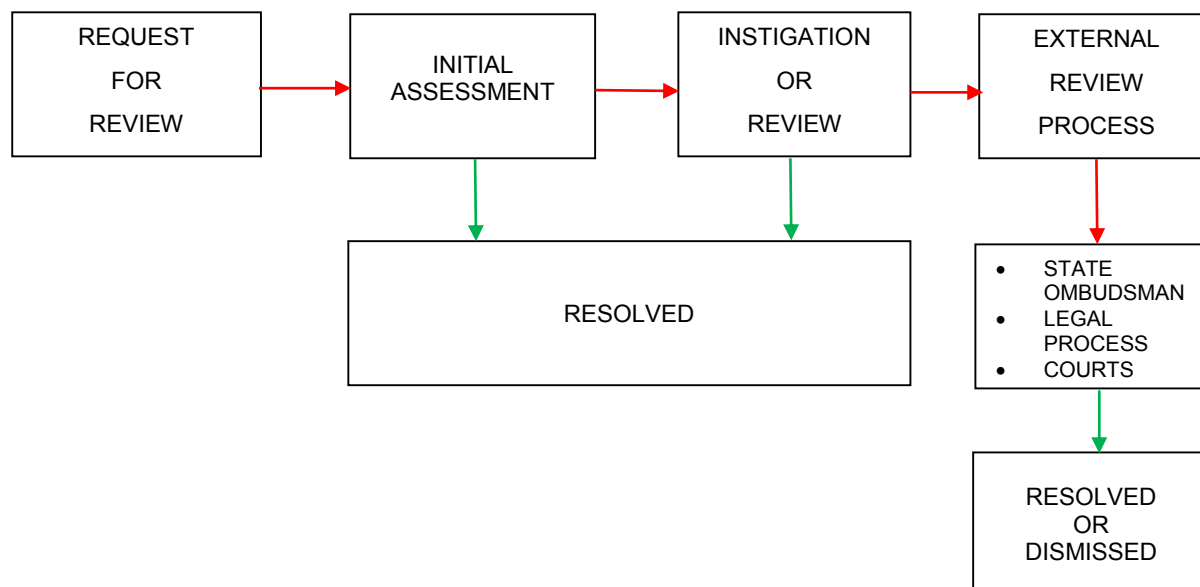
Grievances may arise as a result of dissatisfaction with a decision about a policy, procedure, service or fee. All attempts will be made to resolve grievances quickly and efficiently, without the need for formal applications for review to be lodged. Sometimes this cannot be achieved. Council's Internal Review of Council Decisions Policy provides guidance for dealing with formal requests for internal review of decisions of Council, its employees, and other people acting on behalf of the Council.

Dealing with grievances at the local level is the most effective way of resolving matters quickly. Applicants for review of decisions will be encouraged to participate in the review handling process co-operatively. However, this will not negate citizens' rights to seek external review through the State Ombudsman, other legal appeal processes, or the Courts at any time during the internal review process.

The Flinders Ranges Council's Internal Review of Council Decisions Policy, has been adopted in accordance with Section 270 of the Act. This policy was formally reviewed by Council on 14 August 2012 and is one aspect of Council's customer focused approach to service delivery. It provides a further opportunity to review the way Council provides services to the community, and to identify areas for improvement.

	<p style="text-align: center;">GOVERNANCE</p> <p style="text-align: center;">ANNUAL REPORT</p>	<p>Version Number Issued Last Review Next Review GDS</p>	<p>5 October 2009 October 2013 October 2014 18.68.1.1</p>
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The following diagram demonstrates the review processes available to the applicant for the review of Council decisions.



During 2012-2013 reporting year, Council received no request for the Internal Review of Council Decision under Section 270 of the Local Government Act 1999. Council did however finalise one matter from the previous year. As a result of this review, several Council Policies were amended or updated in the reporting year.

Freedom of Information

A member of the public may make a request under the Freedom of Information Act 1991 for access to documents.

To gain access to these Council records, a member of the public must complete a Freedom of Information request application outlining the records that they wish to inspect and pay the prescribed fee.

During the 2012-2013 reporting year, Council received no request under the Freedom of Information Act 1991.

Amendment of Council Records

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act 1999 or the Freedom of Information Act 1991 depending on the document that requires correction. A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out-of-date.

To gain access to these Council records, a member of the public must complete a Freedom of Information request application as indicated above outlining the records that they wish to inspect.

Application of National Competition Policy to Local Government

Pursuant to the Government Business Enterprises (Competition) Act 1996 Council has no report to make as no activities were conducted in Category 1 or 2 activities during the 2012-2013 financial year.

Council does not operate any business activity subject to the application of Policy principles.

Procurement - Competitive Tender and Local Purchasing

Council's Procurement and Disposal Policy has been applied in the purchase of all goods and services including items of a capital nature during the reporting year. Wherever possible the use of local suppliers for the purchase of goods and services is given due consideration provided the specification and other prerequisites meet Council's requirements.

Council has reviewed and updated this policy during the reporting period.

Public Access to Council Documents

During 2012-2013 Council applied the provisions of Section 90(2) of the Local Government Act 1999 on five (5) occasions as per the table below:

Date	Sec 90(2) Purpose	Council Resolution No.	Sec 91(7) Next Review Date	Sec 91(7) Release Date
14 Feb 12	90(3)(h)	027/2012	01 Apr 14	
14 Aug 12	90(3)(d)	181/2012		11 Sep 12
13 Nov 12	90(3)(h)	244/2012	13 Nov 13	
09 Apr 13	90(3)(h)	065/2013	01 Apr 14	
09 Apr 13	90(3)(h)	065/2013	01 Apr 14	
11 Jun 13	90(3)(k)	127/2013		10 Sep 13
09 Jul 13	90(3)(h)	133/2013	13 Aug 18	


Training and Development Opportunities for Elected Members

Training appropriate to the legislative and governance roles and functions of Councillors is provided by the Local Government Association of South Australia and associated training providers and is available for Members able and willing to participate. Online training has been undertaken by two Elected Members.

Strategic Management Plan

Council has aligned its Strategic Management Plan 2012-2022 with the South Australian Strategic Plan 2010.

During 2012-2013 Council has achieved in fourteen key areas of performance against the seventeen key objectives outlined in the Council Strategic Management Plan 2012-2022.

	<p style="text-align: center;">GOVERNANCE</p> <p style="text-align: center;">ANNUAL REPORT</p>	<p>Version Number Issued Last Review Next Review GDS</p>	<p>5 October 2009 October 2013 October 2014 18.68.1.1</p>
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Annual Business Plan

Council has successfully minimised the financial impact of external factors beyond its control in its Annual Business Plan 2012-2013 and has continued to maintain and enhance delivery of all services imposed by the Local Government Act 1999, the Development Act 1993 and other applicable legislation enacted by Federal and State Governments.

Long Term Financial Plan

Council has been moving toward long-term sustainability and increasing its own source income in this light and has continued to maintain and enhance delivery of all services.

Council reviews and updates the Long Term Financial Plan on an annual basis and the first year of the Long Term Financial Plan is the current years budget.

Community Land Management Plan

Council has adopted a Community Land Management Plan in accordance with Section 196 of the Local Government Act 1999. The Management Plan guides Council in the utilisation of community land and buildings. It is available on Council's website.

Auditor's Remuneration

Ian MacDonald was paid the sum of eight thousand, five hundred dollars (\$8,500.00) for the 2012-2013 audit of Council's financial statements and processes. Ian McDonald was contracted for 5 years under a competitive tender process in May 2010, with the appointment commencing with the 2010-2011 year audit.

The Auditor's report did not identify any areas of concern or reportable occurrences.

Decision Making Structure

All decisions are the property of the Council. The committees appointed by Council have an advisory function only, and Council officers are empowered to act in accordance with delegations made by Council pursuant to the provisions of the Local Government Act 1999 and associated legislation. Refer to Council Organisation Chart on page 8 for Council's internal decision making structure.

Volunteers

Volunteers are an important and integral part of The Flinders Ranges Council, assisting with the development of Council property and services.

Their contribution is acknowledged and appreciated as is that of all the volunteers engaged in other volunteer organisations across the Council district.

All volunteers make a significant contribution to our communities.

WHS and Risk Management

The Flinders Ranges Council has a strong commitment to ensuring all employees and volunteers are provided with a safe work environment with risk management practices being integrated into all facets of Council's operation and delivery of services.

Item	Number Conducted During 2012/2013
Contractor Induction & Update	35
Risk Assessments – Substances	0
Risk Assessments – Task	2
Risk Assessments – Plant	4
Internal Audits	6
Safe Work Instructions (SWIs)	2
WHS Meetings	4
Toolbox Meetings	12
Admin Meetings	12
Accident / Incident Investigations	39

The Key Performance Indicator (KPI) Audit was undertaken by the Local Government Association Workers Compensation Scheme (LGAWCS) from the 5th to 8th November 2012 and was undertaken by Julie Beaton (LGAWCS) and Sean Power (external Auditor). The purpose of the Audit was to test conformance against the WorkCover Code of Conduct for Self Insured Employers and specifically nominated elements within the Performance Standards for Self Insurers.

The Audit consisted of a total of 36 questions broken into 2 parts: OHS and Injury Management. Council achieved 40 compliances with 6 non-compliances in the OHS section and 10 compliances in the Injury Management Section with no non-compliances.

The 6 non-compliances consisted of the following Standards:

- 1.2.2 – Contingency arrangements
- 2.1.1 – Risk assessments
- 2.2.2 – Planning & Development Procedure
- 2.3.2 – Training Plans
- 3.2.1 – Training Plans
- 3.7.1 – Contingency arrangements

An Action Plan was developed to address these non-compliances and Council was able to close out the actions by early July 2013.

The Flinders Ranges Council is proud of its result in the KPI Audit as it rated within the top 10 of South Australian Councils.

STAFF

Administration

Chief Executive Officer	Colin Davies
Chief Finance Officer	Colin Davies
Executive Assistant / HRO	Julie Campbell
Rates and Administration Officer	Chris Bowden
WHS / Asset Management / Grants	Ann Frick
Administration Officers	Julie Rayner / Zoe Parkinson

FRVIC

FRVIC Co-ordinator	Jillian Wilson
Tourism Officers	Richard Khoe / Evelyn Norfolk
	Senga Reed

Operations

Works Manager (from December 2012)	Roy O'Connor
Works Supervisor (Acting WM to December 2012)	Lee Braddy
General Inspector / Works Clerk	Lyn Fatchen / Jennifer Grantham
Working Supervisor Towns	Tony Agnew
Working Supervisor Construction	John Deer
Plant Operators / Maintenance Workers	Trent Downing
	Liam McKenzie
	Victor Clark
	Mark Finlay
	Greg Paterson
	Ian Press
	Danny Martin
	Robin Ward
Cleaners	Daisy Higgins / Kaye Bradley
	Allyson Crocket

Contract Staff

Development Officer	Ron Ashenden
Environmental Health Officer	Mark Smith
Planning Consultant	Access Planning
Legal Advisors	Norman Waterhouse & Kelledy Jones Lawyers
Auditor	Ian McDonald

Seasonal Staff

Pool Supervisors	Sasha Andersson / Chelsea Haywood
	Yvonne Bailey / Andrea McCallum

Senior Officers (included above)

The Chief Executive Officer is paid to compensate for time worked outside normal office hours and twenty five percent extra for the additional Chief Financial Officer role. Council has also meets the cost of rental for the telephone, internet and cost of professional memberships.

The Works Manager has his telephone rental and the cost of any work related calls reimbursed.

A vehicle for full private use is provided to both officers.

	GOVERNANCE ANNUAL REPORT	Version Number Issued Last Review Next Review GDS	5 October 2009 October 2013 October 2014 18.68.1.1
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OTHER

Registers

- Members Register of Interest
- Staff Register of Interest
- Members Allowances and Benefits
- Staff Allowances and Benefits
- Campaign Donations (elected members)
- Assessment Book
- Asset Register
- Signs
- Grids
- Development Approvals
- Loans
- Licences / Leases / Permits
- Various WHS
- Contractors
- Insurance
- Requests
- Complaints
- Community Lands.

Governance and Community Development

Council has continued its membership of the Central Local Government Region and participated in the regional activities of that organisation.

During the year Council was a member of Regional Development Australia Far North.

Council was also a member of the Flinders Shared Services Group, together with the District Councils of Mount Remarkable, Orroroo Carrieton and Peterborough.

Distribution of Information

Council continues to communicate with its residents by regular distribution of newsletters and placement of information notices in local newspapers. Council's website is continuing to be further enhanced for the distribution of information. Council continued to provide information via it's Facebook page during the year.

Council distributes a monthly Newsletter to all residents via an unaddressed mail out and is available on Councils Website www.frc.sa.gov.au

2013 Australia Day Awards


The following 2013 Australia Day Awards were made by Council:

Australia Day Citizen of the Year

No nominations received

Australia Day Community Event of the Year

Quorn Agricultural Show Society – Quorn Show 2012

	<p style="text-align: center;">GOVERNANCE</p> <p style="text-align: center;">ANNUAL REPORT</p>	<p>Version Number Issued Last Review Next Review GDS</p>	<p>5 October 2009 October 2013 October 2014 18.68.1.1</p>
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COUNCIL COMMITTEES AND DELEGATES

Council Committees

Statutory Committees

Audit Committee (Sec 126 Local Government Act 1999)
Flinders Regional Development Assessment Panel (Sec 34 Development Act 1934)

Section 43 Local Government Act 1999:

Quorn and Districts War Memorial Swimming Pool Management Committee
Hawker Swimming Pool Management Committee
Flinders Ranges Visitor Information Centre Management Committee

Reference Committees

Flinders Shared Services Group
Enterprise Bargaining Committee
Little Corella Reference Committee
Signage Committee
The Flinders Ranges Council Building Fire Safety Committee
Policy Review Committee
Community Emergency Risk Management Committee.

Council Delegates

Council Members, staff and residents represent Council on the following committees:

Central Local Government Region of South Australia
Central Local Government Region of South Australia – Transport Committee
Central Local Government Region of South Australia – Waste Committee
District Council of Mount Remarkable Building, Health and Inspectorial Services Advisory Committee
Flinders Ranges Tourism Operators Association
Flinders Ranges and Outback SA Tourism Committee
Locust Community Reference Group
Hawker Area School Governing Council
Hawker Community Development Board
Hawker Country Fire Service
Hawker School / Community Library Board
Hawker Community Sporting Centre
Hawker Health Advisory Council
Local Government Association of South Australia
Local Government Finance Association of South Australia
Local Government System Incorporated
Northern Passenger Transport Network
Pichi Richi Marathon
Pichi Richi Railway Preservation Society Inc.
Quorn Agricultural Show Society
Quorn Country Fire Service
Quorn Health Advisory Council
Quorn Hospital Primary Health Care Committee
Quorn State Emergency Services
Quorn School / Community Library Board
Quorn Local History Group

Regional Bushfire Committee
Regional Coordination Network – Far North
Regional Development Australia Far North
Wirreanda Cottages
Zone Emergency Management Committee.

Policies

The Local Government Act 1999 requires Councils to have in place certain policies. Listed below are the various policies or codes either required by the Local Government Act 1999 or other Acts or agreed to by Council:

Number	Policy Title	Issue Date	Review Date
G1.1	Safe Environment	July 2012	July 2014
G1.2	Code of Conduct for Elected Members	July 2012	July 2014
G1.3	Training and Development for Elected Members	July 2012	July 2014
G1.4	Elected Members' Allowances and Benefits	July 2012	July 2014
G1.5	Elected member Conduct – Complaint Handling	July 2012	July 2014
G1.6	Code of Conduct for Employees	July 2012	July 2014
G1.7	Information Privacy	July 2012	July 2014
G1.8	Code of Practice – Access to Council Meetings and Documents	July 2012	July 2014
G1.9	Public Consultation	July 2012	July 2014
G1.10	Internal Control	July 2012	July 2014
G1.11	Order Making	July 2012	July 2014
G1.12	Occupational Health Safety and Welfare and Injury Management	July 2012	July 2013
G1.13	Internal Review of Council Decisions	July 2012	July 2014
G1.14	Whistleblowers Protection	July 2012	July 2014
G1.15	Records Management Procedure	July 2012	July 2014
G1.16	Copyright Infringement	July 2012	July 2014
G1.17	Selection of Road and Public Place Names	July 2012	July 2014
G1.18	Fraud and Corruption Prevention	July 2012	July 2014
G1.19	Asset Management	July 2012	July 2014
G1.20	Customer Service Goals	July 2012	July 2014
G1.21	Accounting for Assets	July 2012	July 2014
G1.22	Risk Management	July 2012	July 2014
G1.23	Customer Complaints	July 2012	July 2014
G1.24	Caretaker Policy	June 2011	July 2014
G1.25	Procurement and Disposal Policy	May 2011	July 2014
G1.26	Treasury Management	May 2013	July 2014
G1.27	Social Media	August 2013	July 2014
G1.28	Rating and Rate Rebate	July 2013	July 2014
HR.01	Equal Employment Opportunity Policy	July 2012	July 2014
HR.02	Fair Treatment Policy – Draft	August 2012	July 2014
HR.03	Email / Internet Usage and Access Policy	July 2012	July 2014
HR.04	Use of Council Vehicles	March 2012	July 2014

All policies can be viewed at the Quorn Council Office, Monday to Friday between the hours of 9.00 a.m. and 5.00 p.m. or are available on Council's website www.frc.sa.gov.au

Delegations

The Chief Executive Officer and other officers have the delegated authority from Council to make decisions on a number of specified administrative and policy matters. The delegations are included in the Policy Manual and reviewed annually by Council.

Council cannot delegate to staff various functions as outlined in Section 44(3)(a) and (k) of the Local Government Act, 1999.

Delegations as at 30th June 2013 were:

<i>Community Titles Act 1996</i>	Colin Davies
<i>Development Act 1993</i>	Colin Davies
	Ron Ashenden
<i>Dog and Cat Management Act 1995</i>	Colin Davies
	Roy O'Connor
	John Deer
	Ian Press
<i>Environment Protection Act 1993</i>	Colin Davies
	Roy O'Connor
<i>Expiation of Offences Act 1996</i>	Colin Davies
	Roy O'Connor
<i>Fences Act 1975</i>	Colin Davies
<i>Fire and Emergency Services Act 2005</i>	Colin Davies
	Roy O'Connor
	Mark Finlay
	Ian Press
<i>Freedom of Information Act 1991</i>	Colin Davies
	Julie Campbell
<i>Housing Improvement Act 1940</i>	Colin Davies
<i>Land and Business (Sale and Conveyancing) Act 1994</i>	Colin Davies
<i>Liquor Licensing Act 1997</i>	Colin Davies
	Ron Ashenden
<i>Local Government Act 1934 – Cemeteries</i>	Colin Davies
	Roy O'Connor
<i>Local Government Act 1934</i>	Colin Davies
<i>Local Government Act 1999</i>	Colin Davies
<i>Natural Resources Management Act 2004</i>	Colin Davies
<i>South Australian Public Health Act 2011</i>	Colin Davies
	Mark Smith
<i>Impounding Act 1920</i>	Colin Davies
	Roy O'Connor
<i>Food Act 2001</i>	Colin Davies
	Mark Smith
<i>Roads (Opening and Closing) Act 1991</i>	Colin Davies
	Roy O'Connor
<i>Supported Residential Facilities Act 1992</i>	Colin Davies
<i>Road Traffic Act 1961</i>	Colin Davies
	Roy O'Connor
<i>Work Health and Safety Act 2012</i>	Colin Davies
	Roy O'Connor
	Julie Campbell
	Ann Frick
	John Deer
	Anthony Agnew



The Flinders
Ranges Council

THE FLINDERS RANGES COUNCIL

FINANCIAL REPORT

2012-2013

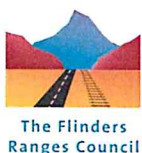


THE FLINDERS RANGES COUNCIL

General Purpose Financial Reports for the year ended 30 June 2013

TABLE OF CONTENTS

	<u>Page</u>
Council Certificate	1
Principal Financial Statements	
Statement of Comprehensive Income	2
Balance Sheet	3
Statement of Changes in Equity	4
Cash Flow Statement	5
Notes to, and forming part of, the Principal Financial Statements	
Note 1 - Significant Accounting Policies	N1
Note 2 - Income	N7
Note 3 - Expenses	N9
Note 4 - Gain or Loss on Disposal of Assets	N11
Note 5 - Current Assets	N12
Note 6 - Non-Current Assets	N13
Note 7 - Infrastructure, Property, Plant & Equipment & Investment Property	N14
Note 8 - Liabilities	N17
Note 9 - Reserves	N18
Note 10 - Assets Subject to Restrictions	N19
Note 11 - Reconciliation of Cash Flow Statement	N20
Note 12 - Functions	N21
Note 13 - Financial Instruments	N23
Note 14 - Expenditure Commitments	N25
Note 15 - Financial Indicators	N26
Note 16 - Uniform Presentation of Finances	N27
Note 17 - Operating Leases	N28
Note 18 - Superannuation	N29
Note 19 - Joint Ventures & Associated Entities	N30
Note 20 - Discontinued Operations and Non-Current Assets held for sale	N31
Note 21 - Assets & Liabilities not Recognised	N32
Note 22 - Events Occurring After Reporting Date	N33
Note 23 - Reconciliation of Grants Received	N34
Council Certificate of Audit Independence	6
Audit Certificate of Audit Independence & Audit Report	7



THE FLINDERS RANGES COUNCIL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 June 2013

CERTIFICATION OF FINANCIAL STATEMENTS

The Mayor and Chief Executive Officer, pursuant to Section 14 of the Local Government (Financial Management) Regulations 2011, have been authorised by The Flinders Ranges Council at the Ordinary Meeting of Council held on 8th October 2013 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 the Australian Accounting Standards.
- ✓ the financial statements present a true and fair view of the Council's financial position at 30 June 2013 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.

.....
Colin Davies
CHIEF EXECUTIVE OFFICER

Date: 9/10/13

.....
Peter Slattery
MAYOR

Date: 9/10/13

THE FLINDERS RANGES COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2013

	Notes	2013 \$	2012 \$
INCOME			
Rates	2	1,750,311	1,585,520
Statutory charges	2	40,092	32,137
User charges	2	75,179	74,563
Grants, subsidies and contributions	2	1,594,883	2,220,024
Investment income	2	132,601	182,113
Reimbursements	2	91,673	64,787
Other income	2	385,773	412,851
Total Income		4,070,512	4,571,995
EXPENSES			
Employee costs	3	1,338,917	1,272,064
Materials, contracts & other expenses	3	1,787,657	1,600,366
Depreciation, amortisation & impairment	3	851,961	796,101
Finance costs	3	81,275	83,948
Total Expenses		4,059,810	3,752,479
OPERATING SURPLUS / (DEFICIT)		10,702	819,516
Asset disposal & fair value adjustments	4	(6,764)	(27,699)
Amounts received specifically for new or upgraded assets	2	832,363	1,570,387
Physical resources received free of charge	2	214,803	-
NET SURPLUS / (DEFICIT)		1,051,104	2,362,204
transferred to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	-	5,088,278
Total Other Comprehensive Income		-	5,088,278
TOTAL COMPREHENSIVE INCOME		1,051,104	7,450,482

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

THE FLINDERS RANGES COUNCIL

BALANCE SHEET as at 30 June 2013

	Notes	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,818,974	3,867,328
Trade & other receivables	5	302,800	376,453
Inventories	5	512,169	188,403
Total Current Assets		4,633,943	4,432,184
Non-current Assets			
Financial Assets	6	9,794	13,006
Infrastructure, Property, Plant & Equipment	7	45,428,658	44,547,357
Total Non-current Assets		45,438,452	44,560,363
Total Assets		50,072,395	48,992,547
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	1,238,472	1,175,992
Borrowings	8	58,520	57,866
Provisions	8	647,982	624,515
Total Current Liabilities		1,944,974	1,858,373
Non-current Liabilities			
Borrowings	8	1,041,572	1,100,092
Provisions	8	32,218	31,554
Total Non-current Liabilities		1,073,790	1,131,646
Total Liabilities		3,018,764	2,990,019
NET ASSETS		47,053,631	46,002,528
EQUITY			
Accumulated Surplus		12,979,663	12,198,506
Asset Revaluation Reserves	9	31,382,448	31,382,448
Other Reserves	9	2,691,520	2,421,574
Total Council Equity		47,053,631	46,002,528
TOTAL EQUITY		47,053,631	46,002,528

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

THE FLINDERS RANGES COUNCIL

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2013

	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Council Equity	TOTAL EQUITY
2013		\$	\$	\$	\$	\$
Balance at end of previous reporting period		12,198,506	31,382,448	2,421,574	46,002,528	46,002,528
Restated opening balance		12,198,506	31,382,448	2,421,574	46,002,528	46,002,528
Net Surplus / (Deficit) for Year		1,051,104			1,051,104	1,051,104
Other Comprehensive Income						
Gain on revaluation of infrastructure, property, plant & equipment			-		-	-
Transfers between reserves		(269,947)		269,946	(1)	(1)
Balance at end of period		12,979,663	31,382,448	2,691,520	47,053,631	47,053,631
2012						
Balance at end of previous reporting period		10,556,676	26,294,170	1,701,200	38,552,046	38,552,046
Restated opening balance		10,556,676	26,294,170	1,701,200	38,552,046	38,552,046
Net Surplus / (Deficit) for Year		2,362,204			2,362,204	2,362,204
Other Comprehensive Income						
Changes in revaluation surplus - infrastructure, property, plant & equipment			5,088,278		5,088,278	5,088,278
Transfers between reserves		(720,374)		720,374	-	-
Balance at end of period		12,198,506	31,382,448	2,421,574	46,002,528	46,002,528

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

THE FLINDERS RANGES COUNCIL

CASH FLOW STATEMENT for the year ended 30 June 2013

	Notes	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		4,355,283	5,002,965
Investment receipts		143,417	171,386
<u>Payments</u>			
Operating payments to suppliers & employees		(3,740,414)	(3,090,678)
Finance payments		(59,125)	(85,223)
Net Cash provided by (or used in) Operating Activities		699,161	1,998,450
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		832,363	1,570,387
Sale of replaced assets		36,544	100,481
Repayments of loans by community groups		3,212	3,013
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(617,241)	(7,973)
Expenditure on new/upgraded assets		(944,527)	(2,503,014)
Net Cash provided by (or used in) Investing Activities		(689,649)	(837,106)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings		-	-
<u>Payments</u>			
Repayments of Borrowings		(57,866)	(69,203)
Net Cash provided by (or used in) Financing Activities		(57,866)	(69,203)
Net Increase (Decrease) in cash held		(48,354)	1,092,141
Cash & cash equivalents at beginning of period	11	3,867,328	2,775,187
Cash & cash equivalents at end of period	11	3,818,974	3,867,328

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



The Flinders Ranges Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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 (AAS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations (e.g. UIGs) and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 8th October 2013

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with AAS 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 Flinders Ranges Council is incorporated under the SA Local Government Act 1999 and has its principal place of business at 1 Seventh Street, Quorn SA 5433. 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.

The Flinders Ranges Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 1 - Significant Accounting Policies

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

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

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by 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	\$2,000
Other Plant & Equipment	\$2,000
Buildings - new construction/extensions	\$2,000
Park & Playground Furniture & Equipment	\$2,000
Road construction & reconstruction	\$2,000
Paving & footpaths, Kerb & Gutter	\$2,000
Drains & Culverts	\$2,000
Reticulation extensions	\$2,000
Sidelines & household connections	\$2,000
Artworks	\$2,000

The Flinders Ranges Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 1 - Significant Accounting Policies

6.3 Subsequent Recognition

Certain asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. 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	3 to 5 years
Office Furniture	10 to 25 years
Vehicles and Road-making Equip	5 to 20 years
Other Plant & Equipment	5 to 50 years
Building & Other Structures	
Buildings – masonry	25 to 100 years
Buildings – other construction	25 to 100 years
Park Structures – masonry	25 to 100 years
Park Structures – other construction	25 to 100 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
Other Assets	
Library Books	10 to 15 years
Artworks	indefinite
Infrastructure	
Sealed Roads – Surface	15 years
Sealed Roads – Structure	100 years
Unsealed Roads	Not Depreciated (Interpretation 1055)
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	20 to 60 years
Drains	50 to 80 years
Culverts	60 years
Flood Control Structures	50 to 80 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC	50 to 80 years
Reticulation Pipes – other	25 to 75 years

6.5 Impairment

Note 1 - Significant Accounting Policies

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 the 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 the allowed alternative treatment in AASB 1023 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Borrowings

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

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.

Council does not make payment for untaken sick leave.



The Flinders Ranges Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 1 - Significant Accounting Policies

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, but this is done on contractual terms and not as Joint Venture.

12 Carbon Taxation

Council operates a number of small landfill facilities, each of which, and in aggregate, are substantially below the taxation threshold of 25,000 tonnes of carbon dioxide equivalent (CO₂e) gas emissions.

Council consider that it has no current or likely future liability for this tax.

13 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB117.

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

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

14 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.

The Flinders Ranges Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 1 - Significant Accounting Policies

15 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2013 reporting period and have not been used in preparing these reports.

- AASB 9 *Financial Instruments*
- AASB 119 *Employee Benefits*
- AASB 1055 *Budgetary Reporting*
- 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 2011-4 *Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]*
- AASB 2012-3 *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]*
- 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.)

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.

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 2 - INCOME

	Notes	2013 \$	2012 \$
RATES REVENUES			
<u>General Rates</u>		1,319,831	1,173,414
Less: Discretionary rebates, remissions & write offs		(36,206)	(34,461)
		1,283,625	1,138,953
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		33,639	31,219
Waste collection		177,330	172,265
Community wastewater management systems		235,860	227,660
		446,829	431,144
<u>Other Charges</u>			
Penalties for late payment		19,857	15,423
		19,857	15,423
Less: Discretionary rebates, remissions & write offs			
		1,750,311	1,585,520
STATUTORY CHARGES			
Development Act fees		12,425	9,934
Town planning fees		7,151	8,360
Animal registration fees & fines		12,258	10,328
Other registration fees		8,258	3,515
		40,092	32,137
USER CHARGES			
Cemetery/crematoria fees		20,296	15,995
Swimming Pools		24,769	23,827
Community Bus hire		4,611	8,384
Hall & equipment hire		6,985	5,687
Waste Management		15,400	16,963
Airport Fees		712	2,258
Sundry		2,406	1,449
		75,179	74,563
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		129,259	171,244
Banks & other		2,339	9,667
Loans to community groups		1,003	1,202
		132,601	182,113
REIMBURSEMENTS			
- for private works		7,914	17,587
- other		83,759	47,200
		91,673	64,787

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 2 - INCOME

	Notes	2013 \$	2012 \$
OTHER INCOME			
Rebates received		24,330	24,539
Commercial Income		193,704	60,466
Donations		33,154	34,924
Energising the Flinders		-	81,395
Sundry		134,585	211,527
		385,773	412,851
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		832,363	987,038
Other grants, subsidies and contributions		1,594,883	2,220,024
Individually significant item -	see below		583,349
		2,427,246	3,790,411
<i>The functions to which these grants relate are shown in Note 2.</i>			
Sources of grants			
Commonwealth government		2,407,606	3,394,700
State government		19,640	375,711
Other		-	20,000
		2,427,246	3,790,411
Individually Significant Item			
Regional Development Australia Fund - Energising the Flinders		-	583,349
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>			
Unexpended at the close of the previous reporting period		33,332	55,572
Less: expended during the current period from revenues recognised in previous reporting periods		-	-
Roads Infrastructure		-	-
Heritage & Cultural Services		(34,047)	(32,607)
Subtotal		(34,047)	(32,607)
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions			
Roads Infrastructure		-	-
Heritage & Cultural Services		18,395	10,367
Subtotal		18,395	10,367
Unexpended at the close of this reporting period		17,680	33,332
Net increase (decrease) in assets subject to conditions in the current reporting period		(15,652)	(22,240)
PHYSICAL RESOURCES RECEIVED FREE OF CHARGE			
Land & Improvements		214,803	-
TOTAL PHYSICAL RESOURCES RECEIVED		214,803	-

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 3 - EXPENSES

	Notes	2013 \$	2012 \$
EMPLOYEE COSTS			
Salaries and Wages		1,078,152	1,086,185
Employee leave expense		186,505	136,333
Superannuation - defined contribution plan contributions	18	46,723	44,863
Superannuation - defined benefit plan contributions	18	67,012	57,210
Workers' Compensation Insurance		58,569	70,218
Less: Capitalised and distributed costs		(98,044)	(122,745)
Total Operating Employee Costs		1,338,917	1,272,064

Total Number of Employees

18

19

(Full time equivalent at end of reporting period)

MATERIALS, CONTRACTS & OTHER EXPENSES

Prescribed Expenses

Auditor's Remuneration

- Auditing the financial reports

8,500

8,500

Elected members' expenses

92,563

82,874

Election expenses

1,699

445

Subtotal - Prescribed Expenses

102,762

91,819

Other Materials, Contracts & Expenses

Contractors

640,718

710,686

Energy - Fuel & Power

175,613

219,016

Waste Management

308,369

312,244

Insurance

61,203

60,121

Individually Significant Items

70,147

793,265

Vehicle Maintenance

142,728

119,601

Legal Expenses

95,321

54,104

Levies paid to government - NRM levy

33,597

30,977

- Other Levies

7,347

8,377

Parts, accessories & consumables

20,720

24,716

Professional services

121,269

88,986

FRVIC

308,614

100,203

Sundry

928,722

508,522

Subtotal - Other Materials, Contracts & Expenses

2,914,368

3,030,817

Less: Capitalised and distributed costs

(1,229,473)

(1,522,270)

1,787,657

1,600,366

INDIVIDUALLY SIGNIFICANT ITEMS

Energising the Flinders

35,000

793,265

Flood Damage Repairs (Own funds - No State Government Support)

35,147

-

70,147

793,265

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 3 - EXPENSES

	Notes	2013 \$	2012 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Land & Buildings		300,514	319,429
Plant & Equipment		183,170	159,693
Furniture & Fittings		40,276	23,965
Minor plant		6,122	6,394
Infrastructure		255,830	219,974
CWMS		66,049	66,646
		<u>851,961</u>	<u>796,101</u>
FINANCE COSTS			
Interest on Loans		81,275	83,948
		<u>81,275</u>	<u>83,948</u>

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2013 \$	2012 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		36,545	100,481
Less: Carrying amount of assets sold		<u>43,309</u>	<u>128,180</u>
Gain (Loss) on disposal		<u>(6,764)</u>	<u>(27,699)</u>

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 5 - CURRENT ASSETS

	2013	2012
CASH & EQUIVALENT ASSETS	\$	\$
Cash on Hand and at Bank	60,848	43,539
Deposits at Call	258,126	823,789
Short Term Deposits & Bills, etc	3,500,000	3,000,000
	<u>3,818,974</u>	<u>3,867,328</u>
TRADE & OTHER RECEIVABLES		
Rates - General & Other	224,177	147,399
Accrued Interest	26,880	37,696
Debtors - general	48,531	73,410
Prepayments	-	6,584
Loans to community organisations	3,212	3,212
Sundry	-	108,152
Total	<u>302,800</u>	<u>376,453</u>
INVENTORIES		
Stores & Materials	512,169	188,403
	<u>512,169</u>	<u>188,403</u>

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 6 - NON-CURRENT ASSETS

	Notes	2013 \$	2012 \$
FINANCIAL ASSETS			
Receivables			
Loans to community organisations		9,794	13,006
TOTAL FINANCIAL ASSETS		<u>9,794</u>	<u>13,006</u>



THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2012				2013			
	\$				\$			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land & Buildings	15,397,623	-	(9,010,686)	6,386,937	15,843,749	-	(9,311,200)	6,532,549
Plant & Equipment	610,866	1,682,348	(535,553)	1,757,661	610,866	1,690,586	(694,943)	1,606,509
Furniture & Fittings	316,364	-	(170,242)	146,122	398,652	-	(197,018)	201,634
Minor plant	81,418	-	(58,268)	23,150	81,418	-	(64,390)	17,028
Infrastructure	38,118,577	-	(4,533,074)	33,585,503	39,246,483	-	(4,788,504)	34,457,979
CWMS	3,685,671	-	(1,037,687)	2,647,984	3,716,695	-	(1,103,736)	2,612,959
TOTAL PROPERTY, PLANT & EQUIPMENT	58,210,519	1,682,348	(15,345,510)	44,547,357	59,897,863	1,690,586	(16,159,791)	45,428,658
Comparatives	50,217,490	1,600,032	(13,945,149)	37,872,373	58,210,519	1,682,348	(15,345,510)	44,547,357

This Note continues on the following pages.

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2012	CARRYING AMOUNT MOVEMENTS DURING YEAR					2013
	\$	\$					\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Net Revaluation	CARRYING AMOUNT
		New/Upgrade	Renewals				
Land & Buildings	6,386,937	-	446,126	-	(300,514)	-	6,532,549
Plant & Equipment	1,757,661	-	75,327	(43,309)	(183,170)	-	1,606,509
Furniture & Fittings	146,122	-	95,788	-	(40,276)	-	201,634
Minor plant	23,150	-	-	-	(6,122)	-	17,028
Infrastructure	33,585,503	1,128,306	-	-	(255,830)	-	34,457,979
CWMS	2,647,984	31,024	-	-	(66,049)	-	2,612,959
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	44,547,357	1,159,330	617,241	(43,309)	(851,961)	-	45,428,658
<i>Comparatives</i>	<i>37,872,373</i>	<i>2,159,746</i>	<i>351,241</i>	<i>(128,180)</i>	<i>(796,101)</i>	<i>5,088,278</i>	<i>44,547,357</i>

This Note continues on the following pages.



The Flinders Ranges Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

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

All Council's assets were adjusted as a result of a revaluation undertaken by *Asset Valuation Consulting Pty Ltd* as at 30 June 2009. *Maloney's Field Services* have undertaken a full revaluation of all asset classes which will be applied as at 1st July 2013.

Major depreciation periods are detailed in Note 1.

Plant, Furniture & Equipment

Pursuant to Council's election, these assets are recognised on the cost basis.

Land, Land Improvements, Buildings & Other Structures

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.

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

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 2009 at current replacement cost. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset.

Pursuant to Council's election, buildings and other structures are recognised at fair value being written down replacement cost.

Infrastructure

Transportation assets were valued by Council at written down current replacement cost during the reporting period ended 30 June 2013 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure was valued by Council as at 30 June 2013 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2013 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management system infrastructure was valued by Council at written down current replacement cost during the reporting period ended 30 June 2013 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost.

All other assets

Pursuant to Council's election, these assets are recognised on the cost basis. Library books and other lending materials are capitalised in bulk, and written out when fully depreciated.

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 8 - LIABILITIES

	Notes	2013		2012	
		\$		\$	
TRADE & OTHER PAYABLES		Current	Non-current	Current	Non-current
Goods & Services		49,281		(1,170)	
Payments received in advance		827,656	-	783,618	-
Accrued expenses - employee entitlements		136,862	-	140,058	-
Accrued expenses - other		206,992	-	221,319	-
Other		17,681	-	32,167	-
		1,238,472	-	1,175,992	-

Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date.

BORROWINGS

Loans	58,520	1,041,572	57,866	1,100,092
	58,520	1,041,572	57,866	1,100,092

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

PROVISIONS

Employee entitlements (including oncosts)	147,982	32,218	124,515	31,554
Future reinstatement / restoration, etc	500,000	-	500,000	-
	647,982	32,218	624,515	31,554

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

	Employee Entitlements	Reinstatement
Opening Balance	156,069	500,000
Add Additional amounts recognised	186,505	-
(Less) Payments	(162,374)	-
Closing Balance	180,200	500,000

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 9 - RESERVES

ASSET REVALUATION RESERVE		1-7-2012	Net Increments (Decrements)	Transfers, Impairments	30-6-2013
	Notes	\$	\$	\$	\$
Land & Buildings		1,527,007			1,527,007
Plant & Equipment		-			-
Furniture & Fittings		38,487			38,487
Minor plant		-			-
Infrastructure		20,609,315			20,609,315
CWMS		538,625			538,625
Other Assets		(36,820)			(36,820)
Asset Revaluation Reserve		8,705,834	-		8,705,834
TOTAL		31,382,448	-	-	31,382,448
Comparatives		26,294,170	5,088,278		31,382,448

OTHER RESERVES		1-7-2012	Transfers to Reserve	Transfers from Reserve	30-6-2013
NRM Levy		296	43		339
Land & Buildings		59,109	2,450		61,559
Plant Replacement		69,872	2,896		72,768
Other		1,492,635	318,265	(147,299)	1,663,601
Garbage Service Charge		(49,467)	15,055	(2,050)	(36,462)
Stormwater Dams		20,726	860		21,586
Hawker Swimming Pool		2,000	83		2,083
Legal Costs		-	10,000		10,000
Community Trust Funds		22,809	13,029	(6,233)	29,605
Quorn Swimming Pool		50,000	2,072		52,072
Hawker CWMS Service Charge		107,495	52,424		159,919
Quorn CWMS Service Charge		338,842	14,044	(18,427)	334,459
Airstrips		5,000	207		5,207
Roads		259,440	10,753		270,193
Community Buses		42,817	1,774		44,591
TOTAL OTHER RESERVES		2,421,574	443,955	(174,009)	2,691,520
Comparatives		1,701,200	756,765	(36,391)	2,421,574

PURPOSES OF RESERVES

Asset Revaluation Reserve

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

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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.

		2013	2012
	Notes	\$	\$
CASH & FINANCIAL ASSETS			
CWMS Annual Service Charge		494,378	446,337
Garbage Annual Service Charge		(36,462)	(49,467)
NRM Levy		339	296
Unexpended Grant funds		17,680	33,332
Employee Entitlements		307,948	286,511
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		783,883	717,009

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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	2013 \$	2012 \$
Total cash & equivalent assets	5	<u>3,818,974</u>	<u>3,867,328</u>
Balances per Cash Flow Statement		<u>3,818,974</u>	<u>3,867,328</u>

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

Net Surplus (Deficit)	1,051,104	7,450,482
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	851,961	796,101
Net increase (decrease) in unpaid employee benefits	20,935	(15,758)
Non-cash asset acquisitions	(214,803)	-
Asset Revaluation movements	-	(5,088,278)
Grants for capital acquisitions treated as Investing Activity	(832,363)	(1,570,387)
Net (Gain) Loss on Disposals	6,764	27,699
	<u>883,598</u>	<u>1,599,859</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	73,653	(146,800)
Net (increase) decrease in inventories	(323,766)	155,424
Net increase (decrease) in trade & other payables	65,676	389,967
Net increase (decrease) in other provisions	-	-
Net Cash provided by (or used in) operations	<u>699,161</u>	<u>1,998,450</u>

(d) Financing Arrangements

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

Bank Overdrafts	200,000	200,000
Corporate Credit Cards	8,000	10,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Council also has immediate access to a short-term draw-down facility, and variable interest rate borrowings under a cash advance facility, both from the Local Government Finance Authority of SA.

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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				
2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Administration	2,583,651	2,348,530	297,298	232,202	2,286,353	2,116,328	1,192,457	1,157,843	
Public Order & Health	435	130	31,104	27,061	(30,669)	(26,931)	-	-	
Social Security & Welfare	10,780	16,343	42,807	28,013	(32,027)	(11,670)	3,000	3,000	
Community Amenities	464,022	439,691	766,532	736,082	(302,510)	(296,391)	15,000	6,620	
Recreation & Culture	79,486	48,680	966,256	779,157	(886,770)	(730,477)	1,640	1,621	
Agricultural Services	33,639	31,219	39,908	33,865	(6,269)	(2,646)	-	-	
Regulatory Services	37,241	32,647	201,715	148,942	(164,474)	(116,295)	-	-	
Transport & Communication	390,925	873,367	1,093,489	1,031,417	(702,564)	(158,050)	382,786	725,478	
Economic Development	182,928	449,735	430,954	608,005	(248,026)	(158,270)	-	902,170	
Not Elsewhere Classified	287,405	331,653	71,847	74,739	215,558	256,914	-	6,641	
Works Overheads	-	-	117,900	52,996	(117,900)	(52,996)	-	-	
TOTALS	4,070,512	4,571,995	4,059,810	3,752,479	10,702	819,516	1,594,883	2,803,373	50,072,395
									48,992,547

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.



The Flinders Ranges Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 12 - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Council Administration

Governance, Administration NEC., Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose, and Separate and Special Rates.

Public Order & Health

Immunisation, Fire Protection, Vandalism, ESL, SES/CFS support

Social Security & Welfare

Northern Passenger Transport Scheme, Youth Advisory Council, Youth programs, Community Buses, Aged Homes support, Hospitals support, Community support programs

Community Amenities

Waste collection and disposal, Cemeteries/Crematoria, Public Conveniences, Street Cleaning, Heritage Advisor, CWMS

Recreation & Culture

Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – Outdoor, Swimming Centres – Indoor, Swimming Centres – Outdoor, and Other Recreation. Library Services, Cultural Services, Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services, Civic & community Halls

Agricultural Services

NRM Levy, Corella Control, Animal & Pest Plant expenditure

Regulatory Services

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

Transport & Communication

Footpaths and Kerbing, Roads – sealed, Roads – formed, Roads – natural formed, Roads – unformed, Traffic Management, LGGC – roads (formula funded), Drainage, Signs, guide posts, line marking.

Economic Development

Employment Creation Programs, Regional Development, Support to Local Businesses, Tourism, and Other Economic Development, VIC, Art & craft Shop

Not Elsewhere Classified (NEC)

Airstrips, shared services, advertising signs, private works, interest, Natural Disaster Mitigation

Works - Indirect

Depots, Machinery maintenance & operating costs, minor plant, WHS, signage, training,

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 13 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 3.0% and 4.7% (2012: 5.1% and 5.4%). Short term deposits have an average maturity of 30 days and an average interest rates of 2.75% (2012: 30 days, 3%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
<p>Receivables - Rates & Associated Charges (including legals & penalties for late payment) 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 at the prescribed rate. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth & State.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable by 6 monthly instalments of principal and interest, with interest charged at fixed rates.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 117.</p>

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 13 - FINANCIAL INSTRUMENTS

Liquidity Analysis

	2013	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets		\$	\$	\$	\$	\$
Cash & Equivalents		3,818,974			3,818,974	3,818,974
Receivables		88,417			88,417	88,417
Other Financial Assets		3,212	9,794		13,006	13,006
Total		3,910,603	9,794	-	3,920,397	3,920,397
Financial Liabilities						
Payables		894,618			894,618	894,618
Current Borrowings		58,520			58,520	58,520
Non-Current Borrowings			220,712	820,860	1,041,572	1,041,572
Total		953,138	220,712	820,860	1,994,710	1,994,710
	2012	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets		\$	\$	\$	\$	\$
Cash & Equivalents		3,867,328			3,867,328	3,867,328
Receivables		242,060			242,060	242,060
Other Financial Assets		3,212	10,965	2,041	16,218	16,218
Total		4,112,600	10,965	2,041	4,125,606	4,125,606
Financial Liabilities						
Payables		814,615			814,615	814,615
Current Borrowings		57,866			57,866	57,866
Non-Current Borrowings			230,858	869,234	1,100,092	1,100,092
Total		872,481	230,858	869,234	1,972,573	1,972,573

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

	30 June 2013		30 June 2012	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	6.6	1,100,092	6.6	1,157,958
		1,100,092		1,157,958

Net Fair Value

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

Risk Exposures

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

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

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

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

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 14 - COMMITMENTS FOR EXPENDITURE

	2013	2012
<u>Notes</u>	\$	\$
Capital Commitments		
There is no capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities.		
Other Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	17,000	25,500
Employee Remuneration Contracts	<u>1,581,500</u>	<u>838,073</u>
	<u>1,598,500</u>	<u>863,573</u>
These expenditures are payable:		
Not later than one year	395,000	328,326
Later than one year and not later than 5 years	<u>1,203,500</u>	<u>535,247</u>
	<u>1,598,500</u>	<u>863,573</u>



THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 15 - FINANCIAL INDICATORS

	2013	2012	2011
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	\$ 10,702	819,516	(410,710)
Being the operating surplus (deficit) before capital amounts .			
Operating Surplus Ratio			
<u>Operating Surplus</u>	1%	53%	(29%)
Rates - general & other less NRM levy			
Adjusted Operating Surplus Ratio	1%	15%	(29%)
This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.			
Net Financial Liabilities	\$ (1,112,804)	(1,266,768)	(335,846)
Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).			
Net Financial Liabilities Ratio			
<u>Net Financial Liabilities</u>	(28%)	(28%)	(8%)
Total Operating Revenue less NRM levy			
Interest Cover Ratio			
<u>Net Interest Expense</u>	(1%)	(2%)	(1%)
Total Operating Revenue less NRM levy less Investment Income			
Asset Sustainability Ratio			
<u>Net Asset Renewals</u>	68%	(12%)	31%
Depreciation Expense			
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.			
Asset Consumption Ratio			
<u>Carrying value of depreciable assets</u>	47%	47%	46%
Gross value of depreciable assets			

Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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

	2013 \$	2012 \$
Income	4,070,512	4,571,995
less Expenses	(4,059,810)	(3,752,479)
Operating Surplus / (Deficit)	10,702	819,516
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	617,241	7,973
less Depreciation, Amortisation and Impairment	851,961	796,101
less Proceeds from Sale of Replaced Assets	36,544	100,481
	(271,264)	(888,609)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	944,527	2,503,014
less Amounts received specifically for New and Upgraded Assets	832,363	1,570,387
	112,164	932,627
Net Lending / (Borrowing) for Financial Year	169,802	775,498



THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 17 - OPERATING LEASES

Leases providing revenue to the Council

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

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

	2013	2012
	\$	\$
Not later than one year	10,400	10,400
Later than one year and not later than 5 years	41,600	41,600
Later than 5 years	40,800	51,200
	<u>92,800</u>	<u>103,200</u>



The Flinders Ranges Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 18 – SUPERANNUATION

The Flinders Ranges Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme (the Scheme). The Scheme has two types of membership, each of which is funded differently. Prior to 24th November 2009, permanent and contract employees of the South Australian Local Government sector had the option to contribute to Marketlink and/or Salarylink. Since that date and all other employees (including casuals) have all contributions allocated to Marketlink only.

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9.25% in 2012/13 for Marketlink members and 3.25% for Salarylink members; 9% and 3% respectively in 2011/12). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Scheme's Trustee based on advice from the Scheme's Actuary. The rate for the 2012/13 year was 6.3% (6.3% in 2011/12) of "superannuation" salary. Given that Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation, the remaining 3.25% for Salarylink members is allocated to their Marketlink account. Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

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

In September and October 2009 a series of workshops were held to discuss the future of the defined benefit arrangements (Salarylink) of Local Super. Councils were asked to consider options relating to the continuation of Salarylink. The key question was whether to keep Salarylink open or should Salarylink be closed to new entrants. The councils were concerned about the risk associated with maintaining an open defined benefit scheme, particularly to ensure that the council contribution rate to superannuation remained stable over time. The response from councils was that approximately 75% voted for Salarylink to be closed to new entrants.

At the LGA State Executive meeting held on Thursday 19 November 2009, it was decided to adopt Option 3 ie to close Salarylink to new entrants, whilst honouring the obligations to existing Salarylink members. The Local Super Board amended the rules of the scheme, to close Salarylink to new entrants, at the Board meeting on held on Tuesday 24 November 2009.

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 2012. 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.



THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 19 - JOINT VENTURES & ASSOCIATED ENTITIES

Council has no Joint Venture or Associated Entities



THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 20 - NON-CURRENT ASSETS HELD FOR SALE & DISCONTINUED OPERATIONS

Council has no Non-Current Assets held for sale or Discontinued Operations



The Flinders Ranges Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2013

Note 21 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

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

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 1,263 km of road reserves of average width 10 metres.

2. POTENTIAL INSURANCE LOSSES

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

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

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

3. BANK GUARANTEES

Council has not guaranteed any loans or other banking facilities on behalf of community organisations and sporting bodies as at reporting date.

4. LEGAL EXPENSES

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 1 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.



The Flinders Ranges Council
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

Note 22 - EVENTS OCCURRING AFTER REPORTING DATE

There are no known events that have occurred after the reporting date that would have a material effect on the Financial Reports for 2012/13 as stated herein.

THE FLINDERS RANGES COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 23 - RECONCILIATION OF GRANTS RECEIVED

This schedule records all grants received, including from other levels of Government, whether described as grants, subsidies or otherwise.

GRANTS

GENERAL PURPOSE - COMMONWEALTH

Grants Commission Grant - General Purpose	-	1,192,457	(1,192,457)	-
Grants Commission Grant - Local Roads	-	283,003	(283,003)	-
Grants Commission Grant - Supplemental Local Roads	-	99,783	(99,783)	-

Subtotal

SPECIFIC PURPOSE

Planning SA - RDAP	10,000	-	-	10,000
Flood Damage	-	-	-	-
e-Waste	-	15,000	(15,000)	-
FRC - Little Corellas Trailer	5,890	-	(5,076)	814
Water for Towns	-	-	-	-
Libraries	-	1,640	(1,640)	-
Film Maker in Residence	209	-	(209)	-
FRVIC	10,367	-	(10,367)	-
Bush Festival	6,277	-	-	6,277
YAC	-	3,000	(3,000)	-
Hawker Revegetation Project	589	-	-	589
Hawker Airport Upgrade	-	-	-	-

Subtotal

TOTAL OTHER GRANTS

Comparatives

Notes	Opening Balance 01 July 2012	Movements		Closing Balance 30 June 2013
		Received/ Receivable	Expended	
	\$	\$	\$	\$
	-	1,192,457	(1,192,457)	-
	-	283,003	(283,003)	-
	-	99,783	(99,783)	-
Subtotal	-	1,575,243	(1,575,243)	-
	10,000	-	-	10,000
	-	-	-	-
	-	15,000	(15,000)	-
	5,890	-	(5,076)	814
	-	-	-	-
	-	1,640	(1,640)	-
	209	-	(209)	-
	10,367	-	(10,367)	-
	6,277	-	-	6,277
	-	3,000	(3,000)	-
	589	-	-	589
	-	-	-	-
Subtotal	33,332	19,640	(35,292)	17,680
	33,332	1,594,883	(1,610,535)	17,680
Comparatives	55,572	2,803,373	(2,825,613)	33,332

GRANTS SPECIFICALLY FOR NEW/UPGRADED ASSETS

SPECIFIC PURPOSE

Roads to Recovery	-	69,363	(69,363)	-
Special Local Roads Grant	-	763,000	(763,000)	-

TOTAL GRANTS SPECIFICALLY FOR NEW/UPGRADED ASSETS

Comparatives

	Opening Balance 01 July 2012	Movements		Closing Balance 30 June 2013
		Received/ Receivable	Expended	
	-	69,363	(69,363)	-
	-	763,000	(763,000)	-
	-	832,363	(832,363)	-
Comparatives	-	987,038	(987,038)	-

Recognised as revenue in advance of expenditure

Current receivable - Other levels of Government

5

33,332	17,680
-	-
33,332	17,680



The Flinders Ranges Council
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2013

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of The Flinders Ranges Council for the year ended 30 June 2013, the Council's Auditor, Ian McDonald, has maintained his 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*.

.....
Colin Davies
CHIEF EXECUTIVE OFFICER

.....
Peter Slattery
PRESIDING MEMBER
AUDIT COMMITTEE

Dated this 9th day of OCTOBER 2013



The Flinders Ranges Council
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2013

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of The Flinders Ranges Council for the year ended 30 June 2013, 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 McDonald, FCA

AUDITOR

Dated this 15 day of October 2013



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE FLINDERS RANGES COUNCIL

I have audited the accompanying financial report of The Flinders Ranges Council which comprises the balance sheet as at 30 June 2013 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 2013.

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 Flinders Ranges Council as of 30 June 2013, 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.

A handwritten signature in black ink, reading 'Ian G McDonald'.

IAN G MC DONALD FCA
CHARTERED ACCOUNTANT
REGISTERED COMPANY AUDITOR

Liability limited by a scheme approved under Professional Standards Legislation

Signed 3 day of November 2013, at Eastwood, South Australia

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

PO Box 75
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SA 5022

Mobile: 0419 620 906
Residence: 8356 0825
Facsimile: 8356 6397

Email: imd1962@bigpond.net.au



Central

Local Government Region of South Australia

Incorporated under provisions of the Local Government Act

Annual Report for 2012 – 2013

A regional subsidiary of:

- ▲ *The Barossa Council*
- ▲ *District Council of Barunga West*
- ▲ *Clare & Gilbert Valleys Council*
- ▲ *District Council of The Copper Coast*
- ▲ *The Flinders Ranges Council*
- ▲ *Regional Council of Goyder*
- ▲ *Light Regional Council*
- ▲ *District Council of Mallala*
- ▲ *District Council of Mount Remarkable*
- ▲ *Northern Areas Council*
- ▲ *District Council of Orroroo/Carrieton*
- ▲ *District Council of Peterborough*
- ▲ *Port Pirie Regional Council*
- ▲ *Wakefield Regional Council*
- ▲ *District Council of Yorke Peninsula*

Contact Details

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CRYSTAL BROOK SA 5523

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The Central Local Government Region of South Australia

The Central Local Government Region was established in 1998 under Section 200 of the Local Government Act 1934 as a controlling authority. It now continues in existence and as a regional subsidiary of its member Councils under Part 2 of Schedule 2 of the Local Government Act 1999 by virtue of the provisions of Section 25 of the Local Government (Implementation) Act 1999.

The Central Region is established to:

- ✓ undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level
- ✓ facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving improvement for the benefit of the communities of its Constituent Councils
- ✓ develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community
- ✓ develop further co-operation between its Constituent Councils for the benefit of the communities of the region
- ✓ develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities of the region
- ✓ undertake projects and activities that benefit the region and its communities
- ✓ associate, collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest.

The Central Region is a body corporate and is governed by a Board of Management which has the responsibility to manage all activities of the Central Region and ensure that the Central Region acts in accordance with its Charter. The Board has 15 members, comprising one representative elected from each constituent Council:

- | | |
|--|---|
| ✧ Barossa Council | ✧ District Council of Mount Remarkable |
| ✧ District Council of Barunga West | ✧ Northern Areas Council |
| ✧ Clare & Gilbert Valleys Council | ✧ District Council of Orroroo/Carrieton |
| ✧ District Council of The Copper Coast | ✧ District Council of Peterborough |
| ✧ The Flinders Ranges Council | ✧ Port Pirie Regional Council |
| ✧ Regional Council of Goyder | ✧ Wakefield Regional Council |
| ✧ Light Regional Council | ✧ District Council of Yorke Peninsula |
| ✧ District Council of Mallala | |

The Region's area spans the Barossa through the Clare Valley, Yorke Peninsula, Adelaide Plains, Mid and Upper North districts through to the Flinders Ranges, covering 27 per cent of the incorporated area of the State and comprises some 27 per cent of the State's population outside Adelaide.

Office Bearers for 2012/13

Chairman: Mayor James Maitland (Wakefield)

Deputy Chairs: Mayor Ray Agnew (Yorke Peninsula)
Mayor Allan Aughey (Clare & Gilbert Valleys)

Executive Members: Mayor Peter Matthey (Goyder)
Mayor Ruth Whittle (Peterborough)

Delegate to the LGA State Executive: Mayor James Maitland (Wakefield)
Mayor Allan Aughey (Clare & Gilbert Valleys)
Mayor Ray Agnew (Yorke Peninsula) – proxy (to April 2013)
Mayor Denis Clark (Northern Areas) – proxy (from April 2013)

Executive Officer: Anita Crisp

Auditor: Ian G. McDonald

Central Local Government Region Board of Management

The Central Local Government Region Board of Management comprises an elected delegate appointed from each of the 15 member councils. A proxy delegate is also appointed, with policy provisions allowing for representation by other elected or endorsed members.

Following the November 2010 Local Government elections, constituent Councils of the Central Local Government Region appointed the following Council delegates to the CLGR Board of Management for a term to expire at the 2014 Local Government elections, subject to the provisions within the Charter or amendment by a constituent Council:

Council	Delegate	Proxy Delegate
The Barossa Council	Mayor Brian Hurn	D/Mayor David DeVries
District Council of Barunga West	Mayor Dean Dolling	Cr Brian Rooney
District Council of the Copper Coast	Mayor Paul Thomas	D/Mayor Dean Rodda
Clare & Gilbert Valleys Council	Mayor Allan Aughey	Cr Elizabeth Calvert
Flinders Ranges Council	Mayor Peter Slattery	D/Mayor John Shute
Regional Council of Goyder	Mayor Peter Matthey	D/Mayor Judy Partington (until 11/12) D/Mayor Jane Kellock (from 11/12)
Light Regional Council	D/Mayor Dean Rohrlach	nil
District Council of Mallala	Mayor Marcus Strudwicke (until 11/12) Mayor Duncan Kennington (from 11/12)	nil
District Council of Mount Remarkable	Mayor Sandra Wauchope	D/Mayor Ray Walker (until 11/12) D/Mayor Peter Jacobs (from 11/12)
Northern Areas Council	Chair Ben Browne (until 11/12) Mayor Denis Clark (from 11/12)	D/Chair Denis Clark (until 11/12)
District Council of Orreroo Carrieton	Chair Colin Parkyn	D/Chair Malcolm Byerlee
District Council of Peterborough	Mayor Ruth Whittle	Cr Frank Hardbottle
Port Pirie Regional Council	Cr Neville Wilson	D/Mayor John Rhode
Wakefield Regional Council	Mayor James Maitland	D/Mayor Darryl Ottens
District Council of Yorke Peninsula	Mayor Ray Agnew	Cr John Rich

Meetings of the Central Region Board of Management

Four meetings of the Central Local Government Region Board of Management were held during the 2012/13, each hosted by one of the member Councils.

The meeting host and location is rotated throughout the region on alphabetical order.

Meetings were held:

- ✧ Annual General Meeting, Friday 10th August 2012 (hosted by Barossa)

- ✧ General Meeting, Friday 9th November 2012 (hosted by Barunga West)

- ✧ General Meeting, Friday 8th February 2013 (hosted by Clare & Gilbert Valleys)

- ✧ General Meeting, Friday 10th May 2013 (hosted by Copper Coast)

Committee Meetings

In accordance with its Charter, the Central Local Government Region maintains several sub committees to assist in effective project implementation and governance. The committees generally meet on an as-needs basis and comprise representatives from the various member councils along with, in many cases additional delegates from other relevant regional bodies or state government agencies:

Committee	Members	Meeting Dates
Executive Committee:	Mayor James Maitland, Mayor Ray Agnew, Mayor Allan Aughey, Mayor Ruth Whittle, Mayor Peter Matthey	3 September 2012 17 September 2012 8 January 2013 24 January 2013 1 May 2013
Audit Committee:	Mayor Ray Agnew (Chair), Cr Kathie Bowman, Dr Andrew Johnson, Mr Colin Davies	Nil
Member Councils CEO's Forums:	Mr Martin McCarthy (Barossa), Mr Peter Ward (A/CEO, Barunga West), Mr Roy Blight (Clare & Gilbert Valleys), Mr Peter Harder (Copper Coast), Mr Colin Davies (Flinders Ranges), Mr John Brak (Goyder), Mr Brian Carr (Light), Mr Charles Mansueto (Mallala), Mr Sean Cheriton (to 12/12), Mr Wayne Hart (from 01/13) (Mt Remarkable), Mr Roger Crowley (Northern Areas), Mr Iian Wilson (Orroroo/Carrieton), Mr Peter McGuinness (Peterborough), Dr Andrew Johnson (Pirie Regional), Ms Cate Atkinson (Wakefield), Mr Andrew Cameron (Yorke Peninsula)	13 July 2012 12 October 2012 14 December 2012
Transport Infrastructure Planning Committee:	Mr Iian Wilson - Chair (Orroroo Carrieton), Mr Colin Davies (Flinders Ranges), Mr Peter Broughill (Northern Areas), Mr Steve Kaesler (Barossa), Mr Fred Linke (Barunga West), Mr Brenton Pearce (Mt Remarkable), Ms Joanne Buchanan (Regional Development), Mr Bob Bemmerl (DTEI)	18 October 2012 5 March 2013 16 April 2013
Regional Climate Change Steering Committee:	Ms Anita Crisp (CLGR Executive Officer), Ms Kelly-Anne Saffin (RDA Y&MN), Mr Jarrod White (N&Y NRM Board)	4 February 2013 29 April 2013 3 June 2013
Coastal Councils Network:	Mr Warrick Barnes (Mallala), Ms Lynda Painter (Wakefield), Mr Stephen Goldsworthy (Yorke Peninsula), Mr Andy West (Copper Coast), Ms Deb Brokenshire (Barunga West), Mr Patrick Clifton (Port Pirie), Muriel Scholz (Mt Remarkable). Ms Deborah Allen (Coastcare Facilitator) – ex officio	16 August 2012 13 December 2012 19 February 2013
Regional Waste Management Committee:	Mayor Ruth Whittle (Chair), Ms Cate Atkinson (Wakefield), Cr Ken Anderson (Flinders Ranges), Ms Paula Duncan-Tiver (Northern Areas), Mr Roger Crowley (Northern Areas). Ms Vanessa Loechel (Waste Coordinator) – ex officio	22 October 2012 28 February 2013 20 May 2013
Water Project Steering Committee:	Mr Iian Wilson (Orroroo Carrieton), Cr Denis Clarke (Northern Areas), Mr Ian Baldwin. Ms Kelly-Anne Saffin (RDAY&MN), Ms Jennifer Munro (Northern & Yorke NRM), Ms Kris Swaffer (DFW), Mr Paul Doherty (SA Water)	Nil
Windfarm Project Steering Committee:	Mayor Allan Aughey (C&GV), Cr Paul Kretschmer (Mt Remarkable), Gabby Swearse/Alan Thomson (NAC), Mr John Brak (Goyder). Kelly-Anne Saffin (RDA), Mr Jarrod White. Mr Trevor White (Windfarm Liaison Officer) – ex officio	25 July 2012 24 October 2012 20 March 2013

Regional Forums and Workshops

In order to progress specific priorities and actions, the Central Local Government Region occasionally holds information forums or workshops to allow member councils and other relevant stakeholders to come together and discuss or learn about particular initiatives.

The forums and workshops provide an opportunity for greater awareness, understanding and engagement with various Central Local Government Region activities and increases the level of active involvement by stakeholders. The following issue-specific forums were held during the 2012/13 financial year.

20 August 2012 18 March 2013	ESCOSA Workshop, Balaklava and Crystal Brook
17 April 2013	Combined Central and Eyre Peninsula 'Making Regions Matter' Election Strategy Forum, Adelaide
19 July 2012	Waste Managers Sub-Regional Update Forums
15 November 2012	Waste Management Regional Forum and Special Local Roads Briefing, Clare
22 March 2013	Regional Planning Review Forum, Wallaroo– hosted in conjunction with the Northern & Yorke Natural Resources Management Board and Regional Development Australia Yorke and Mid North

Achievements for 2012/13

During the 2012/13 year, the Central Region continued to progress a number of priority activities, pursued under the three key target areas identified within the strategic and business plan:

1. Board Governance and Operations

- ✓ **The operation of the Central Region subsidiary is in accordance with legislative requirements and board policy**
- ✓ **CLGR is well regarded by its member councils and stakeholders as a valid and relevant organisation**

Achievements for 2012/13

- ✧ CLGR Board meeting agendas & minutes distributed in accordance with policy
- ✧ Committee operations executed within terms of reference
- ✧ Executive support review completed
- ✧ Audit Committee Ministerial exemption

2. Local Government Leadership and Sustainability

- ✓ **The Central Local Government Region Councils supported to collaboratively improve service delivery, resourcing & financial capacity**
- ✓ **Central Local Government Region Councils well represented & regarded at state and national Local Government levels**
- ✓ **Improved awareness & understanding of Central Region Council issues and activities by key stakeholders & political decision makers**

Achievements for 2012/13

- ✧ Allocation of \$320,000 CLGR reserve funds towards Council collaborations and shared services
- ✧ Funding for LGA Outreach Officer – additional research and project support for Councils
- ✧ Hosted combined Central and Eyre Peninsula Region election strategy forum
- ✧ Hosted attendance by Local Government Minister to quarterly meetings of Central Region
- ✧ Submission to the Local Government Excellence Expert Panel
- ✧ Attendance by Local Government Association (LGA) and Department of Planning and Local Government (DPLG) at Central Region quarterly meetings
- ✧ Communications with LGA and Office of Local Government staff as required
- ✧ Workshop with LGA and Local Government Risk Services regarding program rollout
- ✧ Convened Council Chief Executive Officer forums
- ✧ Coordination of Central Zone appointments to LGA State Executive Committee
- ✧ Regional representation at SA Regional Organisation of Councils (SAROC) and LGA State Executive meetings
- ✧ Attendance at Local Government Association SA general meetings and forums in Adelaide
- ✧ Attendance at Australian Local Government Association assembly in Canberra
- ✧ Communication with SAROC Executive Officers on key issues as required
- ✧ Participation of relevant regional agencies and bodies on Central Region committees and at workshops and forums as appropriate
- ✧ Member of Parliament briefings as required
- ✧ Monthly newsletter prepared and distributed
- ✧ Regular ABC local radio and newspaper media coverage of Central Region projects and events
- ✧ Central Region website updated

3. Regional and Community Sustainability

- ✓ **The long-term economic, environmental and social sustainability of the Central Local Government Region is fostered through pro-active, innovative, efficient and collaborative approaches to issues of priority.**

Achievements for 2012/13

Regional Identity, Planning & Cohesion

- ✧ Convened Regional Strategic Alliance meetings with Northern & Yorke Natural Resources Management Board (NRM) and Regional Development Australia Yorke and Mid North (RDA)
- ✧ Hosted Yorke/Mid North Annual Planning Review Forum in Wallaroo with NRM and RDA
- ✧ Secured funding and officer support for annual planning forums from State Government
- ✧ Convened workshop with Dept Planning on update of the Mid North and Yorke Peninsula Planning Strategy
- ✧ Submission to State Government's Draft Regional Statement
- ✧ Submission and presentation to Parliamentary Select Committee on Sustainable Farming Practices
- ✧ Participation in Upper Spencer Gulf Working Group
- ✧ Convened update briefings of RDA and NRM to Central Region meetings
- ✧ Convened Regional Government Coordination Network
- ✧ Continued Central Region office co-location with Regional Department of Transport, Crystal Brook

Waste Management

- ✧ Funding of \$120,000 secured from ZWSA to engage Regional Waste Coordinator for 2 years
- ✧ Regional waste management committee operational
- ✧ Convened regional waste management forum
- ✧ Supported investigation into future options for Everard regional landfill site
- ✧ Ongoing liaison with national e-waste recycling program, ZWSA, LGA and Councils regarding regional e-waste collection
- ✧ Liaison with EPA regarding Illegal Dumping unit
- ✧ Support to Councils regarding waste management issues – green and hazardous waste, tyres

Transport

- ✧ Convened Central Region Transport Committee, including participation by DTEI and RDA
- ✧ Assessment, inspection and regional submission to Special Local Roads program
- ✧ Commitment towards development of Regional Transport Strategy with Regional Development Australia
- ✧ Collate projects for consideration under federal 'Heavy Vehicle Safety and Productivity Program'
- ✧ Coordinated working group input to review of Local Government Disaster Fund arrangements
- ✧ Completed flood remediation research and development project
- ✧ Guest presenter at Local Government Roads Conference, Victor Harbor

Environment and Natural Resources

- ✧ Convened meetings of Regional Coastal Councils Network
- ✧ Ongoing delivery of Regional Coastcare in partnership with Australian Government
- ✧ Local Government representative attendance at Regional NRM Board meetings
- ✧ Participation in NRM Conservation Action Planning, Biodiversity fund and statewide NRM Integration workshops
- ✧ Briefing to Environment Minister, Paul Caica on topical issues
- ✧ Participation in regional Native Vegetation Council forum
- ✧ Attended Commonwealth Government 'Regional Sustainability Planning' workshop

Water Resources

- ✧ Continued funding of Technical Officer (Water) for access by Central Region Councils
- ✧ Support for development of business cases and funding submissions for water projects
- ✧ Report to SAROC and through LG Turf and Irrigation Working Group on water charges for

- sporting and
- ⌘ community groups
- ⌘ Convened regional briefings by Essential Services Commission on regulation of council CWMS schemes
- ⌘ Submission to ESCOSA highlighting the resourcing implications for rural Councils in reporting requirements under the Water Industry Act

Climate Change and Emergency Management

- ⌘ Funding for regional climate change coordinator to work across local govt, regional development & NRM
- ⌘ Presentation of Regional Climate Change report to various regional, state and national forums
- ⌘ Funding secured for concept and feasibility for regional sustainability centre
- ⌘ University partnership for development of a regional 'low carbon' investment strategy
- ⌘ Liaison with Government for high resolution Digital Elevation Modelling for the region's coastline
- ⌘ Participation on LGA Climate Change Steering Committee
- ⌘ Regional submission to the Local Government Disaster Fund review
- ⌘ Coordinated LG representation to Yorke/Mid North Zone Emergency Management committees (ZEMC)
- ⌘ Convened Central Region Council delegation to meet with Hon Paul Holloway – Review of Fire and Emergency Services Act
- ⌘ Attendance at statewide Climate Change Sector Agreement forum in Adelaide

Windfarm Development

- ⌘ Regional Windfarm Liaison Officer funding through State Government
- ⌘ Regional windfarm project steering committee active, including Councils, NRM and RDA
- ⌘ Draft Council notice of motion to the Australian LGA seeking consistent national approach to windfarm planning
- ⌘ Workshop session convened by Regional Development Australia with Councils, NRM board, Clean Energy Council and wind industry developers and operators
- ⌘ Meeting with South Australian Premier, Jay Weatherill, Environment Minister Paul Caica and EPA Chief Executive Dr Campbell Gemmell regarding windfarm planning and compliance
- ⌘ Ongoing liaison with University of Adelaide wind turbine noise research in the Central Region
- ⌘ Funding through LGA Research and Development fund for preparation of local government planning guidelines for windfarm development
- ⌘ Submission to SA Parliamentary Inquiry into windfarms

Community Wellbeing, Health and Prosperity

- ⌘ Liaison with NBN Co and RDA regarding broadband rollout and regional gaps and opportunities for network extensions
- ⌘ Convened meetings and engagement of legal support for Ngadjuri #2 Native Title Claim Councils
- ⌘ Submission to Parliamentary Inquiry into the Native Title Amendment bill and meeting with Attorney General
- ⌘ Participation on LGA Sport and Recreation Committee
- ⌘ Regional briefing to EPA board on topical issues – waste to resources policy, illegal dumping, windfarm noise compliance, environmental nuisance bill
- ⌘ Mid North University Knowledge Partnerships Steering Committee
- ⌘ Support and participation in 'Dream Australia' television series
- ⌘ Supported Flinders Councils with Corrella Showcase at LGA Conference
- ⌘ Convened presentations by Ombudsman and Country Arts SA to Central Region meetings

Audited Financial Statements 2012/13

14 September 2013

Mayor J Maitland
President
Central Local Government Region of SA Inc.
PO Box 94
MELROSE SA 5483

Dear Mayor Maitland

Please be advised that I have now completed the external financial audit of the Region for the financial year ended 30 June 2013.

The audit opinion has been signed without qualification.

1. Report on Matters Arising from the Audit

There is no matter that requires a report to the Minister.

I am satisfied with the action taken in relation to my audit communication during the year.

The Auditor's Independence Declaration has been provided.

2. Adequacy of the Internal Control Environment

In my opinion the Subsidiary's internal control environment is adequate.

A review of the internal control framework documentation should be undertaken annually.

Please do not hesitate to contact me on 0419620906 if further information is required.

Yours sincerely



Ian Mc Donald

Cc: Griff Campbell

Central Local Government Region of SA Inc

General Purpose Financial Reports for the year ended 30 June 2013

TABLE OF CONTENTS

	<u>Page</u>
Region Certificate	
Principal Financial Statements	
Statement of Comprehensive Income	1
Balance Sheet	2
Statement of Changes in Equity	3
Cash Flow Statement	4
Notes to, and forming part of, the Principal Financial Statements	
Note 1 - Significant Accounting Policies	5
Note 2 - Income	8
Note 3 - Expenses	9
Note 4 - Gain or Loss on Disposal of Assets	10
Note 5 - Current Assets	10
Note 6 - Non-Current Assets	NR
Note 7 - Infrastructure, Property, Plant & Equipment & Investment Property	11
Note 8 - Liabilities	12
Note 9 - Reserves	13
Note 10 - Assets Subject to Restrictions	NR
Note 11 - Reconciliation of Cash Flow Statement	14
Note 12 - Functions	14
Note 13 - Financial Instruments	15
Note 14 - Expenditure Commitments	NR
Note 15 - Financial Indicators	16
Note 16 - Uniform Presentation of Finances	17
Note 17 - Operating Leases	NR
Note 18 - Superannuation	18
Note 19 - Equity accounted Council businesses	19
Note 20 - Discontinued Operations and Non-Current Assets held for sale	NR
Note 21 - Assets & Liabilities not Recognised	NR
Note 22 - Events Occurring After Reporting Date	NR
	(NR - Not Required)
Audit Report	
Council Certificate of Audit Independence	
Audit Certificate of Audit Independence	

Central Local Government Region of SA Inc
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2013

	Notes	2013 \$	2012 \$
INCOME			
Grants, subsidies and Council contributions	2	636,060	796,980
Investment income	2	17,433	22,516
Other income	2	159,758	161,863
Total Income		<u>813,251</u>	<u>981,359</u>
EXPENSES			
Employee costs	3	57,201	-
Materials, contracts & other expenses	3	749,118	920,340
Depreciation, amortisation & impairment	3	6,160	6,529
Total Expenses		<u>812,479</u>	<u>926,869</u>
OPERATING SURPLUS / (DEFICIT)		772	54,490
Asset disposal & fair value adjustments	4	<u>(7,140)</u>	<u>-</u>
NET SURPLUS / (DEFICIT)		<u>(6,368)</u>	<u>54,490</u>
transferred to Equity Statement			
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		<u>(6,368)</u>	<u>54,490</u>

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

Central Local Government Region of SA Inc

BALANCE SHEET
as at 30 June 2013

	Notes	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	601,152	586,594
Trade & other receivables	5	55,249	86,077
Total Current Assets		656,401	672,671
Non-current Assets			
Infrastructure, property, plant & equipment	7	34,008	21,530
Total Non-current Assets		34,008	21,530
Total Assets		690,409	694,201
LIABILITIES			
Current Liabilities			
Trade & other payables	8	54,838	58,041
Provisions	8	5,668	-
Total Current Liabilities		60,506	58,041
Non-current Liabilities			
Provisions	8	111	-
Total Non-current Liabilities		111	-
Total Liabilities		60,617	58,041
NET ASSETS		629,792	636,160
EQUITY			
Accumulated Surplus		3,486	303,660
Other Reserves	9	626,306	332,500
TOTAL EQUITY		629,792	636,160

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

Central Local Government Region of SA Inc

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2013

		Accumulated Surplus	Other Reserves	TOTAL EQUITY
2013	Notes	\$	\$	\$
Balance at end of previous reporting period		303,660	332,500	636,160
Restated opening balance		303,660	332,500	636,160
Net Surplus / (Deficit) for Year		(6,368)		(6,368)
Transfers between reserves		(293,806)	293,806	-
Balance at end of period		3,486	626,306	629,792
2012				
Balance at end of previous reporting period		249,170	332,500	581,670
Restated opening balance		249,170	332,500	581,670
Net Surplus / (Deficit) for Year		54,490		54,490
Transfers between reserves		-	-	-
Balance at end of period		303,660	332,500	636,160

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

Central Local Government Region of SA Inc

CASH FLOW STATEMENT for the year ended 30 June 2013

	Notes	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Investment receipts		17,865	24,457
Grants & Council Contributions		654,641	939,375
Other revenues		250,124	133,453
<u>Payments</u>			
Employee costs		(45,039)	-
Materials, contracts & other expenses		(837,255)	(1,055,053)
Net Cash provided by (or used in) Operating Activities		40,336	42,232
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Sale of replaced assets		10,909	-
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(36,687)	-
Net Cash provided by (or used in) Investing Activities		(25,778)	-
Net Increase (Decrease) in cash held		14,558	42,232
Cash & cash equivalents at beginning of period	11	586,594	544,362
Cash & cash equivalents at end of period	11	601,152	586,594

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

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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 Accounting

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

The financial report was authorised for issue by the Region by certificate under Regulation 14 of the Local Government (Financial Management) Regulations 2011 dated 9th August 2013

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

All amounts in the financial statements have been rounded to the nearest dollar (\$).

1.1 Historical Cost Convention

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

1.2 The Local Government Reporting Entity

The Central Local Government Region of South Australia Incorporated ("the Region") is a regional subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999.

The Constituent Councils are:

- | | |
|---|--|
| 1. The Barossa Council | 2. District Council of Mount Remarkable |
| 3. District Council of Barunga West | 4. Northern Areas Council |
| 5. Clare and Gilbert Valleys Council | 6. District Council of Orroroo/Carrieton |
| 7. District Council of the Copper Coast | 8. District Council of Peterborough |
| 9. The Flinders Ranges Council | 10. Port Pirie Regional Council |
| 11. Regional Council of Goyder | 12. Wakefield Regional Council |
| 13. Light Regional Council | 14. District Council of the Yorke Peninsula, and |
| 15. District Council of Mallala. | |

All funds received and expended by the Region have been included in the Financial Statements forming part of this Financial Report.

1.3 Income recognition

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

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 1 - Significant Accounting Policies (cont)

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

1.4 Cash, Cash Equivalents and other Financial Instruments

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

Receivables are generally unsecured and do not bear interest. All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

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

1.5 Infrastructure, Property, Plant & Equipment

All non-current assets purchased are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". All assets are recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

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

Office Furniture & Equipment	\$1,000
Motor Vehicles, Other Plant & Equipment	\$1,000

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

All plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Region, best reflects the consumption of the service potential embodied in those assets.

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

1.6 Payables

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

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

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 1 - Significant Accounting Policies (cont)

2 Employee Benefits

2.1 Salaries, Wages & Compensated Absences

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

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based on costs) to be made in respect of services provided by its employee up to the reporting date.

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

2.2 Superannuation

The Region makes employer superannuation contributions in respect of its employee to the Statewide Superannuation Scheme.

3 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.

4 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 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 10	Consolidated Financial Statements
AASB 11	Joint Arrangements
AASB 12	Disclosure of Interests in Other Entities
AASB 13	Fair Value Measurement
AASB 119	Employee Benefits
AASB 127	Separate Financial Statements
AASB 128	Investments in Associates and Joint Ventures
AASB 132	Financial Instruments: Presentation

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

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

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

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

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 2 - INCOME

	Notes	2013 \$	2012 \$
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		17,041	21,431
Banks & other		392	1,085
		<u>17,433</u>	<u>22,516</u>
OTHER INCOME			
Council Contributions		145,245	142,395
Roads Project		0	5,148
Motor Vehicle Contribution		5,400	10,000
Sundry		9,113	4,320
		<u>159,758</u>	<u>161,863</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Other grants, subsidies and contributions		636,060	796,980
		<u>636,060</u>	<u>796,980</u>
<i>The functions to which these grants relate are shown in Note 2.</i>			
Sources of grants			
Commonwealth government		402,636	352,000
State government		135,000	334,000
Other		98,424	110,980
		<u>636,060</u>	<u>796,980</u>
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>			
Unexpended at the close of the previous reporting period		221,816	225,809
Less: expended during the current period from revenues recognised in previous reporting periods			
P002-Flood Remediation		(9,910)	
P008-Coastal Councils Project			(126,473)
P009-Climate Change			(74,202)
P010-Windfarm Liaison		(28,462)	
P014-Water Project			(25,134)
Subtotal		<u>(38,372)</u>	<u>(225,809)</u>
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions			
P002-Flood Remediation			9,910
P003-Waste Management		7,890	5,584
P007-LGA R&D Projects		3,493	
P008-Coastal Councils Project		13,923	55,104
P009-Climate Change		34,229	75,153
P010-Wind Farm Liaison			76,065
P014-Water Project		21,439	
P022-Roads & Transport		21,458	
Subtotal		<u>102,432</u>	<u>221,816</u>
Unexpended at the close of this reporting period		<u>285,876</u>	<u>221,816</u>
Net increase (decrease) in assets subject to conditions in the current reporting period		<u>64,060</u>	<u>(3,993)</u>

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 3 - EXPENSES

	Notes	2013 \$	2012 \$
EMPLOYEE COSTS			
Salaries and Wages		44,653	-
Employee leave expense		5,779	-
Superannuation - defined contribution plan contributions	18	4,019	-
Other : Career Development		2,750	-
Total Operating Employee Costs		57,201	-
Total Number of Employees		1	-
<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		1,500	1,500
Other Audit/Accounting Fees		300	220
Subtotal - Prescribed Expenses		1,800	1,720
<u>Other Materials, Contracts & Expenses</u>			
Contractors & Consultants		513,514	769,677
Energy & Fuel		4,502	3,801
Donations - Plants		10,000	11,865
Grants		175,040	87,545
Members Allowances & Support		3,979	5,923
Meetings & Conferences		4,244	2,929
Insurance		7,346	6,920
Professional legal services		1,800	-
Sundry		26,893	29,960
Subtotal - Other Materials, Contracts & Expenses		747,318	918,620
		749,118	920,340
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Motor Vehicle		5,388	6,529
Software		772	-
		6,160	6,529

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2013 \$	2012 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		10,909	-
Less: Carrying amount of assets sold		<u>18,049</u>	<u>-</u>
Gain (Loss) on disposal		<u>(7,140)</u>	<u>-</u>
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		 <u>(7,140)</u>	 <u>-</u>

Note 5 - CURRENT ASSETS

	Notes	2013 \$	2012 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		2,653	130,568
Deposits at Call		<u>598,499</u>	<u>456,026</u>
		<u>601,152</u>	<u>586,594</u>
 TRADE & OTHER RECEIVABLES			
Accrued Revenues		45,947	6,715
Debtors - general		<u>9,302</u>	<u>79,362</u>
		<u>55,249</u>	<u>86,077</u>

Amounts included in receivables that are not expected to be received within 12 months of reporting date.

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Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

	2012				2013			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT								
Motor Vehicle	-	28,059	(6,529)	21,530	-	35,915	(1,907)	34,008
Software	-	-	-	-	-	772	(772)	-
TOTAL PROPERTY, PLANT & EQUIPMENT	-	28,059	(6,529)	21,530	-	36,687	(2,679)	34,008
<i>Comparatives</i>		28,059		28,059	-	28,059	(6,529)	21,530

	2012	CARRYING AMOUNT MOVEMENTS DURING YEAR							2013
	\$	\$							\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation	CARRYING AMOUNT
		New/Upgrade	Renewals						
Note 7B - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT									
Motor Vehicle	21,530	35,915	-	(18,049)	(5,388)	-	-	-	34,008
Software	-	772	-	-	(772)	-	-	-	-
TOTAL PROPERTY, PLANT & EQUIPMENT	21,530	36,687	-	(18,049)	(6,160)	-	-	-	34,008
<i>Comparatives</i>	28,059				(6,529)				21,530

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 8 - LIABILITIES

	Notes	2013		2012	
		\$		\$	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		48,455		58,041	
Accrued expenses - employee entitlements		6,383			
		<u>54,838</u>	<u>-</u>	<u>58,041</u>	<u>-</u>
 <i>Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date.</i>					
		-		-	
 PROVISIONS					
Employee entitlements (including oncosts)		5,668	111		
		<u>5,668</u>	<u>111</u>	<u>-</u>	<u>-</u>
 <i>Amounts included in provisions that are not expected to be settled within 12 months of reporting date.</i>					
		-		-	

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 9 - RESERVES

OTHER RESERVES	1/7/2012	Transfers to Reserve	Transfers from Reserve	30/6/2013
General Reserve	12,500	-	-	12,500
P003-Waste Management	-	13,474	-	13,474
P007-LGA Research & Development	-	3,493	-	3,493
P008-Coastal Councils	-	69,027	-	69,027
P009-Climate Change	-	109,382	-	109,382
P010-Wind Farm Liaison	-	47,603	-	47,603
P011-Regional Broadband	-	2,940	-	2,940
P013-Environment & Roadside Vegetation	-	4,990	-	4,990
P014-Regional Water Supply	-	21,439	-	21,439
P015-Local Government Reform	320,000	-	-	320,000
P022-Roads & Transport	-	21,458	-	21,458
TOTAL OTHER RESERVES	332,500	293,806	-	626,306
<i>Comparatives</i>	<i>332,500</i>	<i>-</i>	<i>-</i>	<i>332,500</i>

PURPOSES OF RESERVES

- 1 **P003-Waste Management**
State Government funded technical support programme - completion 2013/14
- 2 **P007-LGA Research & Development**
LGA funded support programme - expiry 2013/14
- 3 **P008-Coastal Councils**
Federal Government funded "Caring for our Country" programme - completion 2013/14
- 4 **P009-Climate Change**
Regional Partners and State Government funded programme - Project managed by Yorke and Mid North Alliance and includes engagement of technical support and seed distribution - completion 2013/14
- 5 **P010-Wind Farm Liaison**
LGA funded programme - windfarm planning guide - completion 2013/14
- 6 **P011-Regional Broadband**
Federal Government funded - project management - completion 2013/14
- 7 **P013-Environment & Roadside Vegetation**
Federal Government funded - project management - completion 2013/14
- 8 **P014-Regional Water Supply**
State Government funded - water project technical support - completion 2013/14
- 9 **P015-Local Government Reform**
CLGR funded programme - Council Shared Services
- 10 **P022-Roads & Transport**
CLGR funded programme - Regional Development Australia Freight Strategy - anticipated 2014

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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	2013 \$	2012 \$
Total cash & equivalent assets	5	<u>601,152</u>	<u>586,594</u>
Balances per Cash Flow Statement		<u>601,152</u>	<u>586,594</u>

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

Net Surplus (Deficit)	(6,368)	54,490
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	6,160	6,529
Net increase (decrease) in unpaid employee benefits	12,162	-
Net (Gain) Loss on Disposals	<u>7,140</u>	<u>-</u>
	19,094	61,019
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	30,828	(47,877)
Net increase (decrease) in trade & other payables	<u>(9,586)</u>	<u>29,089</u>
Net Cash provided by (or used in) operations	<u>40,336</u>	<u>42,231</u>

(d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:
Corporate Credit Cards 2,000 -

Note 12 - FUNCTIONS

The activities of the Region are categorised into the following programmes

- 1 P002-Flood Damage Remediation
- 2 P003-Regional Waste Management
- 3 P007-LGA Research & Development
- 4 P008-Coastal Councils Coastcare
- 5 P009-Climate Change Co-ordinator
- 6 P010-Wind Farm Liaison
- 7 P011-Regional Broadband
- 8 P013-Environment & Roadside Vegetation
- 9 P014-Regional Water Supply
- 10 P015-Local Government Reform
- 11 P022-Roads & Transport

Income and expenses have been attributed to the above functions/activities throughout the financial year.

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 13 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; interest is recognised when earned.</p> <p>Terms & conditions: Short term deposits are available on 24 hour call with the LGFA and has an interest rate of 2.75% as at 30 June 2013.</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although the Region is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Region's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Region.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

Liquidity Analysis

2013	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	601,152			601,152	601,152
Receivables	55,249			55,249	55,249
Total	656,401	-	-	656,401	656,401
Financial Liabilities					
Payables	48,455			48,455	48,455
Total	48,455	-	-	48,455	48,455
2012	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	586,594			586,594	586,594
Receivables	86,077			86,077	86,077
Total	672,671	-	-	672,671	672,671
Financial Liabilities					
Payables	58,041			58,041	58,041
Total	58,041	-	-	58,041	58,041

Net Fair Value

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

Risk Exposures

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

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

Liquidity Risk is the risk that Region will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates.

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

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 15 - FINANCIAL INDICATORS

	2013	2012	2011
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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

Operating Surplus

	0%	0%	0%
--	----	----	----

Rates - general & other less NRM levy

This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy, nil value as the Region does not levy rates.

Net Financial Liabilities Ratio

Net Financial Liabilities

	-73%	-63%	-74%
--	------	------	------

Total Operating Revenue less NRM levy

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

Asset Sustainability Ratio

Net Asset Renewals

	418%	0%	430%
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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.

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2013 \$	2012 \$
Income	813,251	981,359
less Expenses	<u>812,479</u>	<u>926,869</u>
Operating Surplus / (Deficit)	772	54,490
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	36,687	-
less Depreciation, Amortisation and Impairment	6,160	6,529
less Proceeds from Sale of Replaced Assets	<u>10,909</u>	<u>-</u>
	19,618	(6,529)
less Net Outlays on New and Upgraded Assets	<u>-</u>	<u>-</u>
Net Lending / (Borrowing) for Financial Year	<u>(18,846)</u>	<u>61,019</u>

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 18 – SUPERANNUATION

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

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2012/13; 9% in 2011/12). No further liability accrues to the Region as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Region does not make employer contributions to Salarylink.

The Salarylink section is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by each employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), the Region 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 the Region's contribution rates at some future time.

Central Local Government Region of SA Inc
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

Note 19 - JOINT VENTURES & ASSOCIATED ENTITIES

An associate is an entity, including an unincorporated entity such as a partnership, over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

A joint venture is a contractual agreement whereby two or more parties undertake an economic activity that is subject to joint control.

The Region has no interest in Joint Ventures or Associated Entities

Although the Region itself is a Regional Subsidiary established by the 15 Member Councils (as per Note 1), it is not considered to be an associate of any of the individual Councils as no one Council has significant influence. As such, equity accounting procedures are not used by the individual Councils. It is likely that each Council's interest in the Regional Subsidiary is non-material and as such, it is appropriate for a Council to write off its annual contribution as an expense.


Central Local Government Region of SA Inc

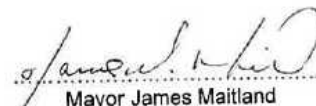
**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2013**

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Central Local Government Region of SA Inc to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Region's financial position at 30 June 2013 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Region provide a reasonable assurance that the Region's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Region's accounting and other records.


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Anita Crisp
CHIEF EXECUTIVE OFFICER


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Mayor James Maitland
PRESIDENT

Date: 09/08/2013

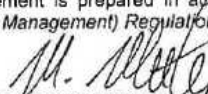
Central Local Government Region of SA Inc

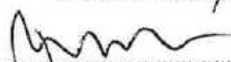
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2013


CERTIFICATION OF AUDITOR INDEPENDENCE


To the best of our knowledge and belief, we confirm that, for the purpose of the audit of The Central Local Government Region of South Australia Incorporated for the year ended 30 June 2013, the Council's Auditor, Ian G McDonald has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

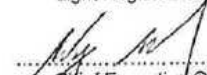
This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.


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Chief Executive Officer
The Barossa Council

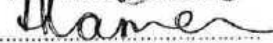

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Chief Executive Officer
Clare and Gilbert Valleys Council


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Chief Executive Officer
The Flinders Ranges Council

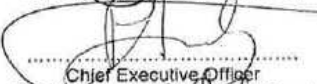

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Chief Executive Officer
Light Regional Council


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Chief Executive Officer
District Council of Mount Remarkable


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Chief Executive Officer
Port Pirie Regional Council

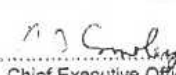

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Chief Executive Officer
District Council of Yorke Peninsula

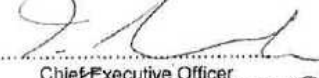

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Chief Executive Officer
District Council of Barunga West


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Chief Executive Officer
District Council of the Copper Coast


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Chief Executive Officer
Regional Council of Goyder

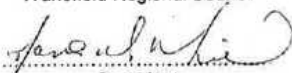

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Chief Executive Officer
District Council of Mallala


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Chief Executive Officer
Northern Areas Council


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Chief Executive Officer
District Council of Peterborough


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Chief Executive Officer
District Council of Peterborough


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Chief Executive Officer
Wakefield Regional Council


.....
President
Central Local Government Region
Board of Management

Central Local Government Region of SA Inc

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2013**

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of The Central Local Government Region of SA Inc for the year ended 30 June 2013, 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 Mc Donald FCA

Dated this 25 day of July 2013

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE CENTRAL LOCAL GOVERNMENT
REGION OF SA INC**

I have audited the accompanying financial report of the Central Local Government Region of SA Inc which comprises the balance sheet as at 30 June 2013 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 2013.

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 Central Local Government Region of SA Inc. as of 30 June 2013, and of its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011.



**IAN G MC DONALD FCA
CHARTERED ACCOUNTANT
REGISTERED COMPANY AUDITOR**

Liability limited by a scheme approved under Professional Standards Legislation

Signed 14 day of September 2013, at Eastwood, South Australia

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

PO Box 75
Henley Beach
SA 5022

Mobile: 0419 620 906
Residence: 8356 0825
Facsimile: 8356 6397

Email: imd1962@bigpond.net.au



FLINDERS REGIONAL DEVELOPMENT ASSESSMENT PANEL

ANNUAL REPORT 2012-2013

The Terms of Reference for the Flinders Regional Development Assessment Panel ("the Panel") requires that the Panel, through the Public Officer, will report in writing to the Constituent Councils on an annual basis, detailing:

- The level of attendance of Panel Members at Panel Meetings;
- The Panel's activity and performance in making decisions; and
- Comment on or an analysis of policy or process that are relevant to the Panel's assessment functions and suggesting improvements.

During the course of the 2012-2013 Financial Year, the Panel met on three (3) occasions to consider a total of eight (8) applications.

The following tables summarise the level of attendance of Panel Members at meetings and the activity and performance of the Panel in decision making.

Panel Member Attendance				
Member	Meetings Eligible to Attend	Present	Apology	Absent without Apology
Ms Shanti Ditter	3	3	0	0
Mr Garry Thompson (FRC)	3	3	0	0
Mr Trevor Roocke (DCMR)	3	2	1	0
Mr Colin Parkyn (DCOC)	3	3	0	0
Mr Frank Hardbottle (DCP)	3	3	0	0

Panel Activity				
Constituent Council	App's Referred to Panel	Approved	Refused	Appealed
The Flinders Ranges Council	3	0	3	2
District Council of Mount Remarkable	5	5	0	0
District Council of Orroroo Carrieton	0	0	0	0
District Council of Peterborough	0	0	0	0
Totals	8	5	3	2

Colin Davies
Public Officer