

DISTRICT COUNCIL of PETERBOROUGH



ANNUAL REPORT 2010 - 2011

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The content of Council's 2010 - 2011 Annual Report
is as required under Section 131 of the Local Government Act, 1999.
Progress on Council activities is reported monthly
in *The Informer*, which is circulated throughout the Peterborough district.



*** VISION***

A thriving community again with a quality lifestyle
and
sustainable economic base.

KEY RESULT AREA

- KRA** Economic sustainability
- KRA** Infrastructure
- KRA** Community well being
- KRA** The environment
- KRA** Representative and accountable local government



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**FROM THE MAYOR : 2010-2011**

The year began as it should – with thoughts of the future and planning for such. New Councillors have come on board and the mix of ‘old and new’ is proving to be a bonus. Years ago we had ‘the scenario of ‘half off/half on’ – meaning that a mix of old and new Councillors was always the case. That method ceased and it is now possible to have every Councillor and mayor replaced in a single election – making it somewhat of a nightmare for CEO’s and Staff. Our community chose to put four (4) ‘old’ and four (4) ‘new’ Councillors in place and it has proven to be of value – new Councillors learn the ropes and old Councillors hand on experience and wisdom. It is a valuable mix. All Councillors are working hard and we have made some memorable decisions based on sound fact provided by our skilled staff.

Our Works programme has been put to the severe test this year. We had big rain/storms on not one, but two!, occasions and the resulting damage is in the region of \$3,000,000 – too much for this small Council to bear. We have applied (along with neighbouring Councils) for some flood relief money and although we have been assessed twice, proven our case, crossed every ‘t’ and dotted every ‘i’ in our claim we have not yet received any of the money that has been agreed upon. It makes for a frustrating year where the works programme cannot be fully implemented and future planning is very difficult. Ratepayers, rightfully, are questioning what is happening and why they have to continually drive on roads that are less than best. The flood damage on the Eastern Seaboard has been tragic and has not helped our case as the available Federal money has gone to places far more affected than us. However, we are needy too and will continue to lobby both State and Federal funding bodies for our just relief.

Tourism is proving to be one of our best assets at present. The continuing success of Steamtown, other wonderful Tourism outlets and the benefits to most businesses in the town because of it are heartening. Food outlets, accommodation places, supermarkets and other tourist facilities are all benefitting. It is a great sight to see 30 to 40 caravans, mobile homes, 4WDS etc parked on Don Ferguson Drive and in the Main Street or at one of our wonderful tourist attractions. The Community is working together to welcome everyone, provide them with food and lodgings and to make sure that the name of Peterborough is remembered for all the good things. Like everyone else, I don’t like to see businesses closing and shops in our main area sitting empty – but it is a sign of the times in all small communities and some of the bigger ones as well. It is also heartening to see a new business open and someone fulfil a dream or an idea to make a living and to become part of our wonderful community.

Health, Education, Youth matters, Tourism, Recreation and Business are things that matter to us. We continually lobby the Government for sufficient funding to maintain our equal share of the Australian Tax Dollar and to make sure that the above exist to a level that is acceptable to all – no matter whether we live in the city or the country or have a small or large population. We have the right to all services and should not have to travel to receive treatment from Hospitals, Doctors, Dentists or allied Health Professionals. We need to be vigilant to maintain our share of Police, MFS, CFS and any other service industries that are taken for granted in the cities.

Our plans for the future revolve around our Strategic Plan and we work continually with the plan in mind. Future proposed developments include a Community Waste Water Management Scheme, the refurbishment of the town drain, a scheme that will ensure the reticulation and re-use of storm water and a Main Street precinct upgrade. Big schemes with big dollars attached. We have received planning grants from the Government and will continue to seek extra assistance where it is available.

After 10 years our Chief Executive Office, Terry Barnes, is moving on to take up a position with the District Council of Franklin Harbour. Terry has ensured that we have a stable workforce, a balanced budget, a Strategic and Business Plan, updated Policies and Procedures, a Tourism Product worth selling to the World and plans well in hand for the future upgrade and positioning of Peterborough as a destination for tourists, visitors or anyone wishing to come here to live. He has done a great job and we shall miss him and his attention to detail on our behalf plus his wise counsel when we look like going off the deep end from time to time.

We welcome Peter McGuinness as our new Chief Executive Officer/Manager of Finance and look forward to a long and rewarding association with him.





I commend our Staff to everyone.

They are skilled, hard working and dedicated to doing the bidding of the Ratepayers and the Council. They have a lot of work to do maintaining the Works Depot and all Council infrastructure : the Library, the Rural Transaction Centre, the Steamtown complex, the Town Hall, the Swimming Pool and the day to day business of the District Council of Peterborough. We have paid Staff and we have Volunteer Staff and every one of them is valuable. The Committees who oversee the Sporting Complex, the Oval and Courts, the Cemeteries, the Halls and anything that belongs to us all as Ratepayers are mainly volunteers who live in our area and want to see our assets maintained and used – thank you for your willing input into the community and the guarding and preservation of all that you oversee.

Peterborough is a great place in which to live, work or play – what you see is what you get and I always think that our friendliness, forthright attitude and ability to rise above the water-line no matter what, has stood us in good stead in the past and will well into the future.

As Councillors and Staff of the District Council of Peterborough we all enjoy working with what is put before us and will continue to serve you all to the best of our abilities while we may.



Ruth Whittle OAM
Mayor
District Council Peterborough





REPORT FROM THE CHIEF EXECUTIVE OFFICER : 2010-2011 :

Elections were held in November 2010 and I congratulate Her Worship Mayor I.R. Whittle O.A.M., on her unopposed re-election; congratulations also to : Crs. Shane Mills, Scott Mesecke, Leon Clapp and John Sandland (Deputy Mayor) on their re-election and welcome Crs. Cassandra Chambers, Frank Hardbottle, Belinda Sleep and Kim Miller on their election.

Peterborough is very fortunate to have quite a young group of elected members in Local Government terms and a relatively good gender balance.

This year saw a stabilizing of our work force, however, Trevor Simpson resigned and was replaced by Wally Walding while Mick Pluckhahn resigned and was replaced by Alan Hyde on a casual basis. Welcome to Alan and Wally, and good luck Mick and Trevor.

Council hosted a meeting of the Local Government Association of South Australia Executive Committee by wining and dining them at Steamtown, showing off the Sound and Light Show. It was an extremely cold night, but a good night was still had by all.

The Minister for Volunteers, Ms Grace Portolesi made a visit to Peterborough also, her purpose being to meet our volunteers from the various organisations over morning tea. The Minister visited the SA Ambulance Station, Steamtown and the Visitor Information Centre.

After many problems, the airstrip upgrade was finally opened by long time volunteer, Mr Norm Chapman. Visitors included representatives from Epic Energy and the SA Ambulance Service.

Mary MacKillop Lane was opened by Bishop Greg O'Kelly and Mayor Ruth Whittle and was commemorated by the planting of street trees by the children from St. Joseph's School.

While on streets, Council made the decision to include the original German names to those current signs whose names were altered at the outbreak of World War II.

In my report last year, I advised that the Steamtown Heritage Rail Centre (S.H.R.C.) was opened, so 2010-2011 was the first full year of operation. It has been a great success, with total paying visitors numbering 10,250. Steamtown Heritage Rail Centre has been on the TV programmes "Out of the Ordinary" and "Postcards" twice. In fact, it has been so successful that it has been included on the Natural Landscape Programme. This is the international marketing of two (2) iconic landscapes in each state, by the Australian Tourism Authority. We have been included with the Flinders Ranges. (Refer to the Steamtown Annual Report later in this publication).

Council continues to work with other Councils in an endeavour to become sustainable and access various services. Examples are:-

- The Flinders Heritage Advisory Service
- The Flinders Regional Development Assessment Panel
- The Development Officer
- The Environmental Health Officer
- The Northern Passenger Transport Network
- The Mid North be active Field Officer
- Council's Waste and Recycling Service
- Appointment of the same Auditor





Council frequently, in partnership with other organisations, seeks grant funding or co-ordinates an activity to reduce costs, such as:-

- The Natural Disaster Resilience Grant Programme
- Obesity Prevention and Lifestyle Programme (OPAL)
- Healthy Communities Programme
- Regional Development Australia (RDA) Fund - Solar Panel installation

Other grants received during the year and still in progress are:-

- Community Waste Water Management Scheme
- Special Local Roads Grant
- Cities and Towns Grant for Drain Repair and Stormwater Re-Use
- Places for People Grant – Main Street upgrade
- Youth Connect Grant for upgrading the Youth Centre
- Heritage Development Plan Amendment

Finally, the Peterborough Strategic Plan 2011 to 2015 was adopted in January 2011. This is the direction in which Council wishes to head in the next five (5) years.

I take this opportunity to thank all staff and elected members for their efforts over the last year. We have had a relatively stable team and I feel we are creating a positive environment.



T.D. Barnes
Chief Executive Officer



**REPORT FROM THE MANAGER OF FINANCE AND ADMINISTRATION : 2010 - 2011 :**

The Financial Statements for the District Council of Peterborough for the 2010/11 financial year were adopted by Council at the meeting held on the 21st November 2011. That document forms part of this Annual Report.

A net deficit of \$1,195,873 has resulted this year, a decrease against the deficit in 2009/10 due to a recalculation of asset values and hence depreciation. A significant shortfall in our cash management to cover depreciation exists and therefore hampering our ability to replace or maintain assets.

Council set the rates, the result being the income derived was an increase of 6.78% over the previous year. Setting a realistic budget Council was able to continue with some of its asset replacement/upgrade program. Capital expenditure for the year was \$738,380 with disposals of \$127,185.

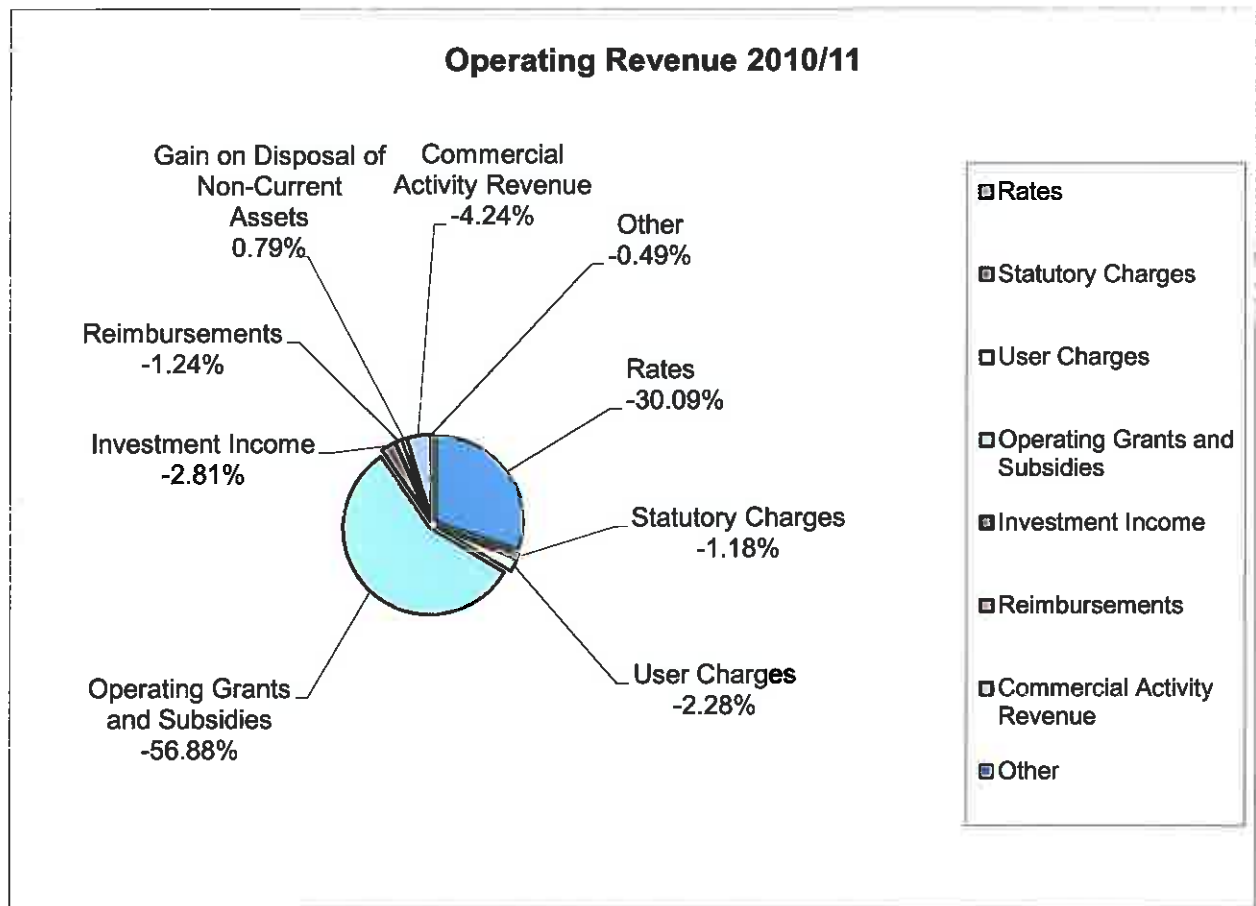
Among the purchases for this year were Computers and Servers, Meeting Room Refurbishment, Main Street Upgrade (in progress), and the Hydrosmart System.

Council has been able to fund these purchases using the money in its investment accounts. There were no new loans for this financial year.

Council has commenced the preparatory work for the Main Street upgrade, which should be completed next financial year at a cost of approx. \$480,000, which has been totally funded by the State Government.

Investment holdings increased to \$3,272,555 as at 30th June 2011, an increase over last year of \$407,897.

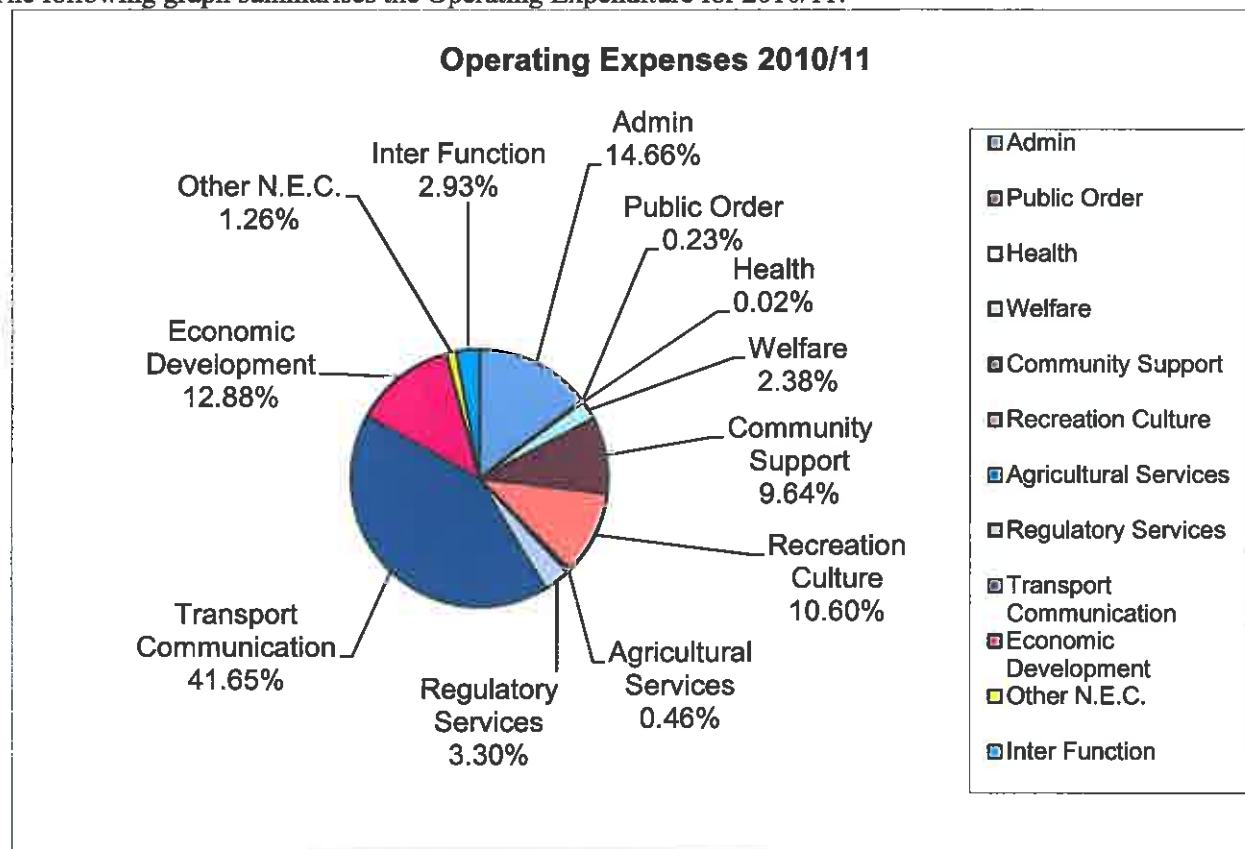
The following graph summarises the Operating Revenue for 2010/11



From the above graph it can be seen that Council relies on both State and Federal funding, with Council Rates only contributing 30.91% to total revenue.



The following graph summarises the Operating Expenditure for 2010/11.



The above graph shows the services on which Council spends the revenue it receives. Council rates equate to only 23.98% of the total expenditure.



Peter McGuinness
Manager of Finance & Administration





REPORT FROM THE WORKS MANAGER : 2011 – 2011 :

A number of worthy projects have been completed in the 2010/2011 financial year and include but are not limited to:-

FLOOD DAMAGE

This past financial year has been struck by not just one, but two (2!) very serious flood damage events that have resulted in the most widespread degree of flood damage experienced in living memory for this area - resulting in \$3.1 million dollars of damage to the rural road network.

This extensive flood damage has resulted in a huge disruption to the planned road construction and maintenance program for this year.

AERODROME UPGRADE :

In addition to the reticulated power supply and new Pilot Activated Lighting System installed last year the runway has been extended to 1500m and fully reconstructed complete with a swale drain to protect the runway from potential flooding.

The taxi way and aeroplane parking apron at the Peterborough Aerodrome have also been reconstructed.

The abovementioned upgrade has now resulted in Peterborough having arguably the best natural surface Aerodrome in SA.

NOVEMBER 2010 PENSIONER PICK UP SCHEME

This free hard waste collection scheme for the aged and disabled pensioners of Peterborough and Yongala was again very successful and was greatly appreciated by the aged and disabled pensioners that participated in the scheme.

YANKEE DIP ROAD

Yankee-Dip Road was reconstructed and re sealed from Saleyard Road to Petersburg Road

DAWSON ROAD

Resheeting works were carried from Staircase Road for a distance of 1km South towards Price Road.

BELALIE ROAD RESHEET

Approx. 1km of Belalie Rd was resheeted commencing near the Belalie Rd Rail Crossing. Shortly after completion it, like many roads within the district suffered flood damage from the Dec/Feb heavy rain events.

Silver Street /Queen Street Garden

This landscaping works, fully funded by DTEI has provided a raised garden that will provide an eye catching floral display which will add to the amenity of the towns Silver Street entrance.

Kerb and Seal Widening Program

A further 4 roads were addressed in this years program and included Callary Street, Railway Terrace to Queen Street , Railway Terrace, George Street to Cyanide Street, Lloyd Street, Railway Terrace to Bourke Street and Hawthorne Street, Railway Terrace to Queen Street.

Following on from the 09/10 program was the installation of a retaining wall required resulting from the kerb and seal widening works on Victoria Street between Chinner Street and Meadows Street.

Main St Bin Surrounds

In addition to last year's new street bin surrounds a further four (4) new bin surrounds with 240 litre bins were installed in Peterborough's Main St. New Stainless Steel cigarette ashtrays have also been fitted to bin surrounds.





WASTE MANAGEMENT :

Waste Collection and Disposal :

The new waste collection service commenced Monday 5th July 2010 with only 1 missed bin and a couple of minor issues.

The recycling commenced on Monday 12th July 2010 with only a handful of minor issues such as overfull bins, over weight bins or waste material mixed up with recycling material and one death threat.

Transfer Station Development :

A new transfer station facility was brought into operation to coincide with the new kerbside recycling collection service

An application has been made to Zero Waste for a grant to upgrade the hardstand areas with a sound rubble base and for a concrete floor in the shed.

TV Muster :

The District Council of Peterborough expressed interest in participating in a LGA / Zero Waste/EPA grant to collect and recycle old CRT TV's. Our willingness to participate resulted in a contract being awarded for the supply of containers to be placed at various locations throughout the CLGR. One container will be supplied and placed at the Peterborough Transfer Station where the public can dispose of their old TV's free of charge.

The service commenced from December 20th 2010 and was scheduled to finish on February 20th 2011.

We managed to collect quite a large number of CRT TV's which went to Adelaide for recycling.

RURAL ROAD NAME SIGNAGE :

Road name signage has followed on from last year further adding to the number of roads now displaying a road name. This project is a necessary contribution to the Rural Property Addressing project which is reliant on having road name signs.

GENERAL :

There have been many smaller projects and routine maintenance works performed on an ongoing basis that have not been mentioned as they are too numerous to mention in detail but include all the routine maintenance of the Parks, Reserves, Swimming Pool, Cemeteries, Main Street, Patrol Grading, Sign Maintenance, Footpath Maintenance, Pre Fire Season Slashing, Drainage Maintenance, Tree trimming/felling and removal, Transfer Station Operations

This year, just like most others, has had its challenges, is never easy and has everyone working hard to achieve our outcomes!

I would like to pass on my thanks to the Deputy Works Manager, all Depot Staff, the CEO, Town Hall Staff, the Mayor and Elected Members.



*Chris Thomson
Works Manager*





REPORT FROM THE STEAMTOWN HERITAGE RAIL CENTRE : 2010 - 2011 :

The financial year 2010/11 is the first complete financial year with a (Tourism)-Manager in charge of the Steamtown Heritage Rail Centre (SHRC). During that time operational and organizational changes have been introduced, professional marketing and promotion were undertaken, more volunteers have been recruited as Tour Guides to handle the high increase in visitor numbers and one additional staff has been employed to staff the reception area to cope with the large increase of business. The Receptionist has also expanded the range and turnover of souvenir sales.

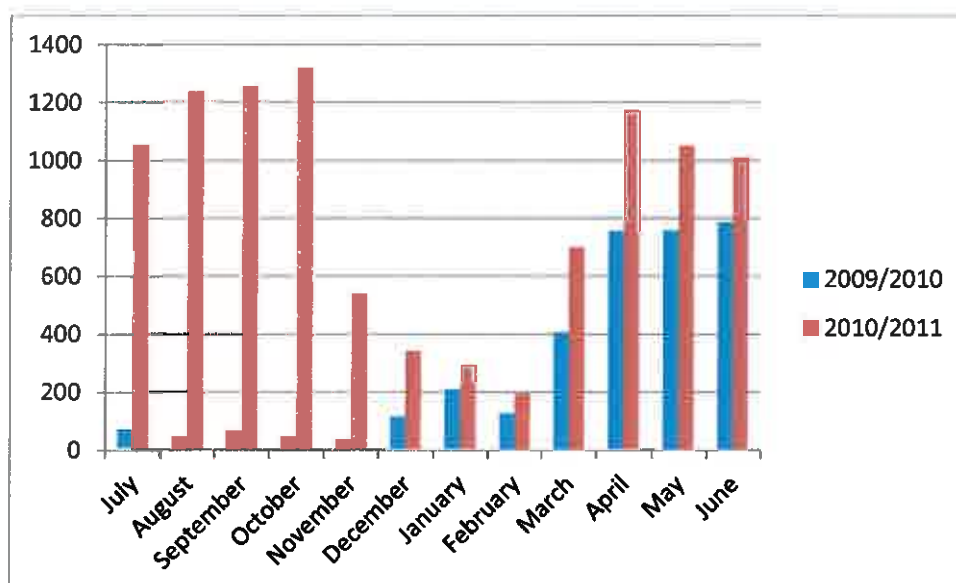
2010/11 is the first full year where the **Sound & Light Show** was fully operational and out of **365**, the Sound & Light Show operated on **355** ! nights.

The results for 2010/11 are outstanding. SHRC had over 10,000 visitors on personally guided tours during the daytime. In this financial year nearly 3,000 visitors watched the Sound & Light Show, which is an 'after dark' spectacle encouraging visitors to stay overnight. Together this injected conservatively over \$500,000.00 into the local economy by tourists (based on the formula that every overnight visitor spends \$88.00 a day). It should be noted that Domestic Tourism Numbers in South Australia were in decline during the financial year 2010/11.

SHRC was successful in winning the Advantage SA Regional Tourism Award and is now regarded the most successful regional Tourist Attraction in the Southern Flinders Ranges for 2010/11.

Visitor/Revenue Statistics :

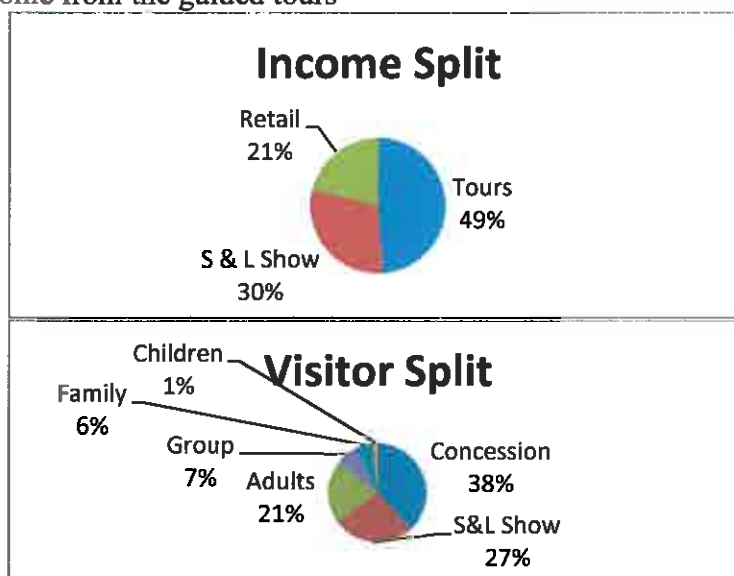
Whilst the domestic visitor statistics in South Australia show a decline in the domestic market during 2010/11, SHRC was able to increase their numbers of visitors dramatically. Please note that there are no reliable SHRC statistics available for the period July 2009 till October 2009.





Visitor Number Growth comparison between 2009/10 and 2010/11 :

The chart below shows the percentages of income split into Souvenir/Retail income, Sound & Light Show income and income from the guided tours



Promotional activities :

Caravan & Camping Show Adelaide and Melbourne

Farina Promotion

AMRE Promotion

Print media: local, intra state and interstate : **Electronic media:** (TV and radio in SA).

Electronic street sign - Peterborough; Yunta sign at information Bay; Website development; various promotions on coach operators' websites; Inclusion in SATC/TA Landscape promotions; Christmas Pageant Parade in Terowie and Peterborough; Channel 9 – Postcards promotion; Channel 9- Out of the ordinary promotion.

Tourism Awards 2010 :

Winner of Advantage SA Regional Tourism Award 2010

Finalist in State Tourism Award

Finalist in ABC National Radio Museums award.

Minister's Commendation in the State Heritage Hero Award received for Jo Stokes (Volunteer tour guide).

Membership and meetings :

SHRC is a member of :

- *Heritage Railways South Australia (HRSa)* which meets quarterly on a rotating base in SA
- *Southern Flinders Ranges Tourism Association* which conducts monthly rotating meetings
- *FRTOA (Flinders Ranges Tourism Operator Association)* since midyear the Manager has been invited to the Management Committee which is conducting monthly meetings via conference calls
- *Broken Hill Tourism;*
- SHRC Manager has been invited midyear to the Landscape Committee
- *Peterborough Tourist Assoc.* which conducts monthly meetings here at Steamtown.
- (through the Manager) is an observer on the *Flinders Ranges Tourism Authority* which also conducts monthly meetings on a rotating base.





Site improvements :

Substantial site improvements were carried out by the SHRC Volunteers and the Work for the Dole program under the leadership of Colin Workman (and for 6 months by Leith Mudge) to address firstly, urgent OH&S matters to improve customer and staff safety but also vast improvements to the site and the rolling stock displays. Covering the pits alone by using old railway sleepers and cutting them into shape saved SHRC around \$14,000.00.

Safety issues :

Covering all open pits in the round house; fencing off the turntable area; upgrading several steps into various carriages (T-class Locomotive, W-Class Locomotive), new steps into various carriages (Guards Van), installation of hand rails at some carriages, child proof fencing at the steam locomotive, the T-Class Locomotive and on 2 bays, anti slip paint to avoid slipping on concrete floor near exhibits; coverage of tracks in Diesel shed with a steel plate to avoid falls; covering all electrical cables in the round house for the sound and light show; grinding down concrete floor in Round house to eliminate uneven surface; fixing dangerous floor boards in the Weighbridge shed; attending to asbestos issues in NSU locomotive; various fences in and around carriages/locomotives to avoid accidents especially by smaller children.

Upgrades :

Installation of sensor operated lights in various carriages and locomotives; installation of larger windows in the S&L show carriage; professional signage at all carriage displays; upgrades of various displays in the Diesel shed; renovation of 2 tractors now being placed on the tray-top carriage; restoration of sheep van (by Peterborough High School students); cleaning and painting of W- Class locomotive's driver cabin; Painting of PMR-class tender; restoration of Kalamazoo; proper signage at Diesel shed and at SHRC entry (large Logo, entry signs, opening signs), improvement in NSU locomotive including new/easier access with new steps; installation of solar operated flood lights for the Sound & Light Show between the Diesel shed and the Turntable (courtesy of BHP Billiton); Cleaning and painting of walls in Diesel shed; new displays in Diesel shed; regular cleaning of displays and ground maintenance (weeding etc.);

Peterborough High School Project :

Peterborough High School in co operation with the SHRC carries out restoration projects with year 12 students to teach them some skills in a number of trades and provide them with hands on experience. SHRC volunteer Hal McFarlane and Teachers of the High School gather every Friday at Steamtown to restore historic rail carriages. In 2010/11 they worked on the restoration of an 1888's sheep van which is near completion. In this particular project the students learned to bend wood with steam, using various tools (such as angle grinders), sanding and painting etc. They also started on the restoration of the Cattle van of the same vintage which is the next project.

Productions :

SHRC Management Committee commissioned a 10 minute video called *The LOCO*, which was produced by Light Image, the same company which produced the Sound and Light Show. The Committee also engaged Light Image to interview/film local Railway people to preserve local history for a future project.

Functions @ SHRC :

In July 2010 SHRC hosted a 'Railway-themed' Gala Dinner in the Diesel shed for the LGA Executive Committee taking advantage of the unique set up and promoting SHRC as a venue for special functions. SHRC also made their conference room available for various functions, i.e. Transfield, and also hosted a number of courses, i.e. TAFE Courses (4 weeks Hospitality and Retail Course including a 3- day Barista Course). SHRC also hosted 2 TAFE College Welding courses each of 3 weeks duration.





SHRC Volunteers :

Volunteer numbers have increased by six (6) during the last financial year. At the end of the financial year SHRC had a volunteer base of eighteen (18) people plus three (3) “emergency” volunteer guides.

In 2010/2011 four volunteer meetings were conducted, including a Christmas function. During the low season (December-February) only one tour guide worked a full day, with a second tour guide coming in to allow for a lunch break. For the rest of the year 2 Tour guides worked per day, with the first one starting at 09.00am working till 3.30pm and the second tour guide coming in at 11.30am working till 5.00pm. In the last three months of the financial year SHRC was also able to recruit some volunteers to operate the Sound & Light Show including handling of the computer at the reception desk with the MYOB program to manage the ticket and souvenir sales.



Just a few of the wonderful SHRC Volunteer Tour Guides with the Advantage SA Regional Tourism Award

SHRC Management Committee :

The SHRC Management Committee is a Section 41 Committee of Council and meets monthly on the 1st Monday of each month at Steamtown Heritage Rail Centre.

Voting members

Ruth Whittle (Mayor District Council of Peterborough)	Chair
Terry Barnes (CEO District Council of Peterborough)	Council Representative
Shane Mills (Councillor DC of Peterborough)	Council Representative
Jason Schell (BHP Billiton Roxby Downs)	Community Representative
Frank Hardbottle	Community Representative
Leslie Clayton	Community Representative
Kelly Anne Saffin	Mid-North/York RDA
John Evans	SATC

Non voting members:

Horst Endrulat (Manager - SHRC)
Peter McGuinness (MoF&A)

Horst Endrulat
SHRC Manager/Tourism Officer



**REPORT FROM THE GENERAL INSPECTOR/FIRE PREVENTION OFFICER : 2010-2011 :****FIRE PREVENTION 2010-2011**

The 2010-2011 fire danger season proved to be a busy time for all, with above average rain fall received, providing a season conducive to higher than average fuel loads – 6T.Ha. The larger fuel loads greatly increased the potential fire threat, both in townships and rural areas.

This season, there were ninety eight (98) 105F Fire Emergency Notices issued. On average, only 40-45 notices are issued in a season. Four(4) required action for non-compliance, with works carried out by a contractor.

Council's slashing programs in the townships of Peterborough and Yongala were placed under pressure due the amount of regrowth. Most areas had to be slashed four (4) times. Co-operation and communication between the Works Depot and this office have made for a positive outcome.

Peterborough bush fire safer precincts were also identified by the C.F.S. during 2010-11.

Compliance in the area of regulatory services has been a relative success this year, with only a small number of residents continuing to resist change. With ongoing education in the areas of dog and cat management, parking, littering and property pride, change is occurring.

DOG & CAT MANAGEMENT BOARD STATISTICS 2010-2011

Barking complaints	10	Wandering dogs	41
Impounded	40	Returned to Owner	12
Attacks – Human	1	Attacks – Animal	8
Dogs Destroyed	27	Cats Destroyed	130

D.T.E.I. RAIL YARD

A major cleanup of the rail yard was undertaken by the Council Works Depot, the land in question is situated between the Silver Street fence, Railway Terrace and the western side of the single mens' quarters. The area not only looks pleasing to the eye, but also allows D.T.E.I. to comply with the Fire and Emergency Services Act 105F, faster and cheaper in the future.

CORE RESPONSIBILITIES

* Fire Prevention

* Legislation Compliance

DELEGATIONS/AUTHORISATIONS

* Local Government Act, 1999

* Dog and Cat Management Act, 1995

* Environmental Protection Act – Burning Policy, 1993

* Development Act 1993

* Fire and Emergency Services Act 2005

* Impounding Act 1920

COUNCIL REPRESENTATION/COMMITTEES

* Bush Fire Management Committee, Flinders/Mid North/Yorke

* Authorised Persons Association

* P.S.M.H. Health Promotion Committee

* Northern Areas Inspectors Network

* Community Safety – Watch SA

* Community Safety – Road Safety Group

* Yorke and Mid North Emergency Management Committee



Lawrence Heath

General Inspector/Fire Prevention Officer





REPORT FROM THE DEVELOPMENT OFFICER : 2010 -2011 :

During the 2010-2011 year, a total of twenty seven (27) development applications were processed, with a total monetary value of \$1,397,298.00.

These included:-

- Town Square development
- One (1) breeding kennels
- Two (2) solar panels
- One (1) commercial
- Fifteen (15) outbuildings
- Five (5) additions/extensions
- One (1) change of land use
- One (1) swimming pool
- As well as three (3) septic tanks

The number of development applications and the \$ value of development is less than 2009-10, which is generally the same story throughout country Councils, not all though.

Building Fire Safety inspections still continue for places of accommodation.

As from 1st May 2011, the biggest focus and change to regulations is the somewhat “over the top” requirements for persons with disabilities and the premises standard.

The District Council of Mount Remarkable has just renewed my contract over the four (4) Councils (i.e. District Councils of Mount Remarkable, Orroroo/Carrieton and Peterborough and The Flinders Ranges Council) for a further three (3) years, which certainly has made me very happy, and allows me to enjoy my role in providing this service for Peterborough and District.



*Ron Ashenden
Development Officer*



REPORT FROM THE OHS&W AND RISK COORDINATOR : 2010/2011 :

I joined the staff of the District Council of Peterborough in late February 2010 after a considerable gap from the time my predecessor left and how things change quickly!

In this financial year we have had to review, modify, adapt, adopt and implement the LGA's One System OHS&W policies and procedures to bring our Council in line with all other Councils in the State and to attempt to be compliant with all of WorkCover and SafeWork S.A. requirements. This is a process of continuous improvement with the aim of reducing injuries and thus, claims.

Being a smaller Council with low staff numbers we are fortunate to have very few injuries which are mainly minor. Overall we had a total of fourteen (14) recorded incidents in 2010 and nine (9) till June 2011. These include all incidents; road and machinery incidents as well as two (2) customer observations from Steamtown - demonstrating that everyone knows to report all issues, however minor they may seem at the time.

I completed my Certificate 4 in OHS&W in December 2010, a soon to be mandatory requirement for anyone filling this position.

The District Council of Peterborough was audited in Oct/Nov. 2010 in a cross audit by Julie Beaton, Regional Risk Coordinator from the Far North region to give a different perspective, and we fared fairly well. However, a lot of 2011 has been taken up getting up to scratch as a few of the tasks still needed to be done to achieve compliance.

We were again reviewed by the LGA Risk Services across the organisation in May 2011 and fared extremely well as this review covered all areas of risk throughout Council with this year's review targeting the Works and Finance & Administration Managers' areas of responsibility . Overall a great result!

Our challenge for the coming year is the National Harmonising of the country's OHS&W Acts & Regulations starting January 1st 2012, however, this is yet to go through our Parliament for approval



David Baldry
OHS&W and Risk Coordinator

**REPORT FROM THE RURAL TRANSACTION CENTRE : 2010 2011:****OPENING HOURS: 9am x 1.00pm – 2.00pm x 3.30pm**

The Rural Transaction Centre is open for 6 hours a day, Monday – Friday. It is the district agency for both Centrelink and Service SA, the next nearest being Port Pirie, and recently, Clare.

Centrelink clients are serviced from 9am – 1.00pm.

Service SA offers assistance/gateway to State Government departments. Learner Driver's Theory Examinations can be arranged by appointment – also, Boat Licence Theory Tests.

The Rural Transaction Centre core activities also include:

'The Informer' – which is a free, monthly publication by the Council, delivered to residents of Peterborough and district keeping them up to date with information submitted by Council, service and sporting clubs, organisations etc. It is edited and printed at the Rural Transaction Centre – then compiled by a willing band of Volunteers at the Community & School Library.

Thank You to those willing folk

'Welcome Kit' – containing a wealth of local information for new residents (e.g. recycling/rubbish arrangements; emergency contacts; Hospital contacts and information – in fact, most things a 'newcomer' would need to have at hand) from Council which is also printed and compiled at the Centre.

Services available for a small fee are :

Secretarial Services

Photo-copying

Faxing

Internet Café

Laminating

Binding

Offices for hire

Statistics from 1st July 2010 until 30th June 2011 include :-

NAME OF ORGANISATION	ANNUAL TRANSACTIONS	Average Number. of TRANSACTIONS per WEEK
Centrelink	4,498	88.19
Service SA - Non - Financial	430	7.5
Service SA - Financial	56	1.5
Internet Café	127	2
PhotoCopying,Faxing,Typing,Laminating,Binding etc	408	7.25
Hire Of Office	171	2.5
The Informer	493	5.25



Di Harris

Manager Rural Transaction Centre (R.T.C,



**REPORT FROM THE PETERBOROUGH SCHOOL AND COMMUNITY LIBRARY :
2010-2011 :**

Peterborough has this unique facility where the District Council of Peterborough's public Community Library and Peterborough High School Library Resource Centre share a building and resources, but run autonomous units ie: staff, budget and equipment.

D/C Staff:	Christine Malycha	Senior Library Assistant – level 3
	Michelle Travaille	Library Assistant – level 2
Relief Staff:	Ros Francis	Library Assistant – level 1
	Mary Martin	Library Assistant – level 1

Statistics as per the Statistical bulletin: Public Libraries of SA :

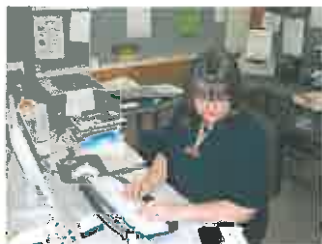
Population served: 2000
Registered borrowers: 1053 = 53%

Loans for 2010 – 2011: 20,223 items

Services:	Books for all ages	Free internet usage – including
	Wireless Network	Children's play area
	Computer facilities	Sports Library
	Magazines – newspapers	Hear-a-book services
	Local history & reference collections	Large print books
	Interlibrary loans	Compact discs - DVD's - Videos

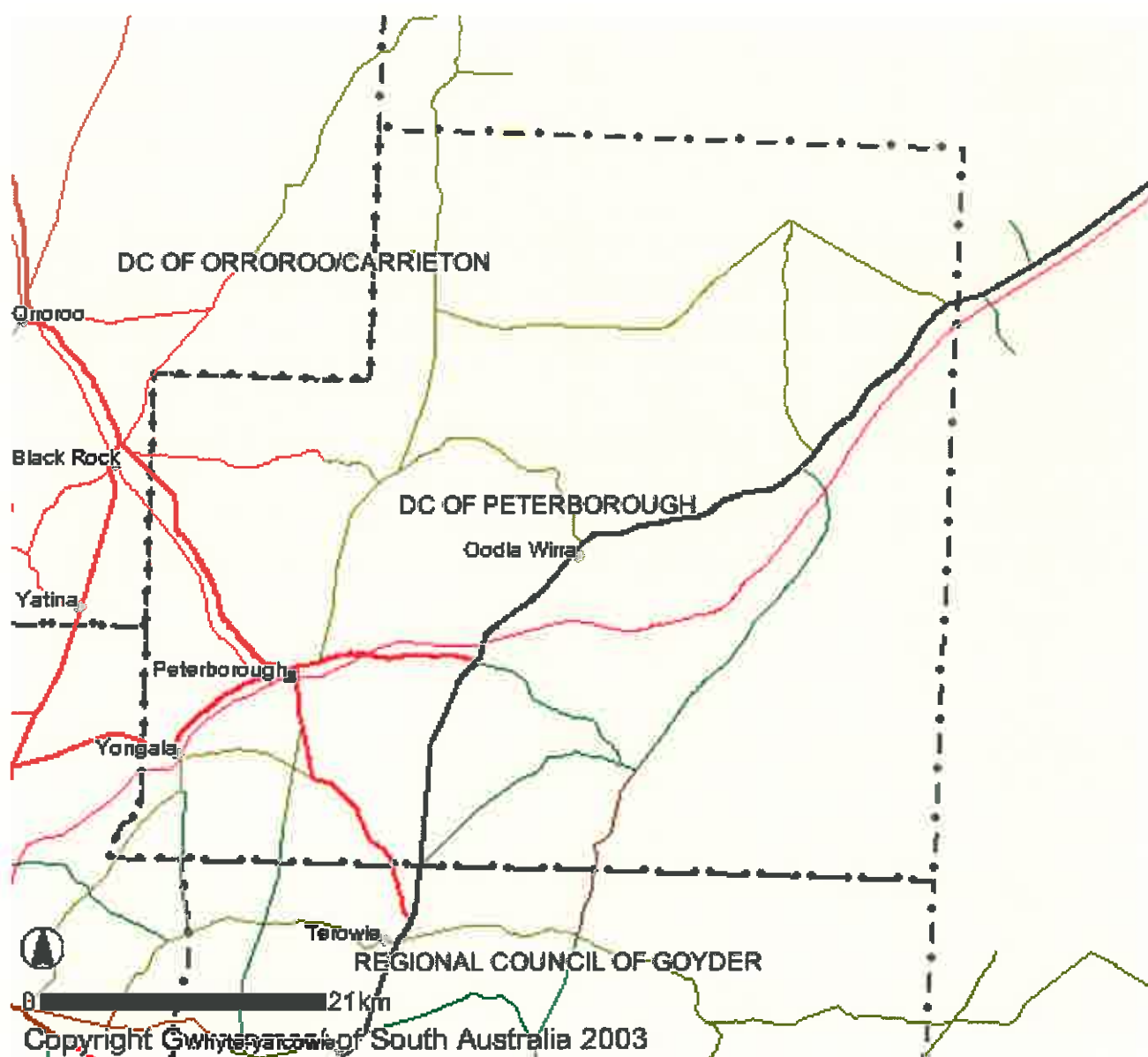
Ongoing programmes: Children's book week promotions: Involving all surrounding schools
Premier's reading challenge literacy support
School holiday activities from 4-12 yrs
Family history research
House bound services

*Christine Malycha/Michelle Travaille
School and Community Library*



*Michelle Travaille
Library Assistant*



**GEOGRAPHICS :****DISTRICT COUNCIL of PETERBOROUGH**

Area :	2,995 km ²
Population :	approx. 2,000
Sealed Roads :	36.8 kms
Unsealed Roads :	1148.758 kms
Number of Assessments :	1,935
Number of Billable Assessments:	1,629
Rate Revenue :	\$1,051,771
Income :	\$2,889,800
Total Expenditure :	\$4,360,768

Local Industries Primary production, Abattoirs, Engineering, Tourism





COUNCIL MEMBERS :

<u>Mayor:</u>	(Mrs) IR (Ruth) Whittle	1983 - 1991 → as Mayor
<u>Deputy Mayor:</u>	Cr J Sandland	1993 - 2006 → as Deputy Mayor
<u>Councillors:</u>	(No Wards)	Eight (8) elected members

CONTACT DETAILS

**Her Worship the Mayor
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e-mail: rwittle@employmentdirections.com.au

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Belinda Samantha SLEEP
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PETERBOROUGH SA 5422
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Mob : 0418 789 703
email : b.s.sleep@gmail.com





STAFF OF COUNCIL : 2010 - 2011

Chief Executive Officer:

Terry D Barnes

Postal Address:

PO Box 121
PETERBOROUGH SA 5422

Telephone Number:

(08) 86513566

Facsimile Number:

(08) 86513066

E-mail:

council@peterborough.sa.gov.au

Auditor:

Dean, Newbery & Partners

Bankers:

Bank SA

Local Government Finance Authority (LGFA) – Investments

Insurance Brokers:

Local Government Risk Services

Administrative Staff

Terry Barnes	Chief Executive Officer
Peter McGuinness	Manager of Finance & Administration
Chris Thomson	Works Manager
Byron King	Deputy Works Manager
Mara Kastelyn	Reception/Creditors/Development, Cemetery & Dog Registers
Chick Polomka	Council support/Personal Assistant
Nadene Whittenbury	Rates/Payroll/Debtors/Expiations
Lawrence Heath	General Inspector
Ron Ashenden	Building & Development Officer
Mark Smith	Environmental Health
David Baldry	O.H.S. & W. Coordinator/Risk Management
Horst Endrulat	Steamtown Manager

Works Staff

Anthony Casey	Russell Hill
Joe Martin	Alan Hyde
Greg Madex	Wally Walding
Troy Madex	Scott Atkinson

Gary Dohnt

Peterborough and Community Library

Christine Malycha	Library Assistant
Michelle Travaille	Library Assistant
Mary Martin/Ros Francis	Relief Library Assistant





Human Services Department

Dianne Harris

Rural Transaction Centre Manager

Mary Martin

Relief R.T.C.

Vera Miller

Community Development & Support Co-ordinator

P.S.M.H.

Peterborough Swimming Pool

Janet Fielding

Manager

Peterborough Town Hall

Greg Duggan

Caretaker

PETERBOROUGH TOWN HALL - Interior

Courtesy : Chris Woodman





COUNCIL INFORMATION :

This information is published under Section 9 of the Freedom of Information Act 1991, as amended, and applying from 1st July 2002. Council welcomes enquiries regarding the legislation. An updated information Statement is to be published at least every twelve months.

Structure & Functions of Council

Full Council, consisting of eight Councillors and the Mayor, is the decision making body on all policy matters. Ordinary meetings of Council are held on the third Monday of every month, in the Council Chamber, 108 Main Street Peterborough, commencing at 7.30pm.

Members of the public are welcome to attend meetings.

Council Committees – Local Government Act 1999

Committees can be formed on an ad-hoc basis, or can be “standing” committees. These Committees meet and unless otherwise authorised, only make recommendations to Council on whatever matter the Committee was formed, e.g. Peterborough Steamtown Management Committee, Peterborough & Districts Cemeteries Advisory Committee,

Agendas & Minutes

Agendas of all full Council and Council Committee meetings are placed on public display no less than three days prior to those meetings.

Minutes are placed on display at the office within five days of that meeting, and are also available on Council’s web-site: www.peterborough.sa.gov.au

Delegations

The Chief Executive Officer and other Officers have been delegated authority from Council to make decisions on a number of specified administrative and policy matters. These delegations are listed in the Policy Manual and are reviewed annually, and otherwise as required, by Council.

Council makes decisions which direct and/or determine its activities and functions.

Such decisions include the approval of works and services to be undertaken, and the resources which are to be made available to undertake such works and services.

Decisions are also made to determine whether or not approvals are to be granted for applications from residents for various forms of developments.





Services for the Community 2010/'11

Full Council makes decisions on policy issues relating to services that are provided for members of the public. These currently include :-

Dog Control	Street Tree Planting	War Memorials
Traffic Control Devices	Tourism	Street Lighting
Fire Prevention/Protection	School Crossings	Car Parks
Environmental Health Inspection	Storm Water Drainage	Public Seating
Immunisation Program	Library	Parking Controls
Heritage Advisory	Community Halls	Museums
Planning Controls	Recreational/Sporting Facilities	Parking Bays
Street Closures	Garbage Collection/Disposal	Parks & Reserves
Street Sweeping	Playground Equipment	Litter Bins
Cemeteries	Swimming Pool	Clean Air Controls
Public Toilets	Building Controls	Litter Control
Roads/Footpaths/Kerbing		

Council's Service Directory (Welcome Kit) - a listing of all services and contact details, is regularly updated at the Rural Transaction Centre and distributed to new residents.

"The Informer" - a free, monthly publication sponsored by Council - edited and printed by the Rural Transaction Centre and compiled at the Community/School Library by a dedicated group of volunteers – distributed throughout the township and district via post boxes.

The Mayor and Chief Executive Officer keep the community informed of Council activities/projects and events through this newsletter.

R.F.D.S. – Peterborough Airstrip



**Council representation on the following committees are as follows : -**

Peterborough Town Courts Committee :	Cr Mesecke
Peterborough Sports Complex Committee :	Cr Mesecke
Peterborough Building Fire Safety Committee	Mr Ron Ashenden
Peterborough & Districts Cemeteries Committee :	Works Manager, Crs Sandland & Clapp

Council representation on various organisations/committees:

Local Government Association -	Mayor Whittle proxy Cr Hardbottle
Central Local Government Association -	Mayor Whittle proxy Cr Hardbottle
Local Government Finance Authority -	Mayor Whittle proxy Cr Hardbottle
Flinders Ranges Development Assessment Panel –	Cr Hardbottle
Audit Committee –	Cr Hardbottle, Mayor Whittle
Peterborough Community Library -	Cr Clapp & Manager of Finance & Administration
Peterborough High School Governing Council -	Cr Miller
Peterborough Disaster Committee –	General Inspector
Steamtown Management Committee :	Mayor Whittle, T Barnes (CEO), Cr S Mills
Northern Passenger Transport Network Committee :	Cr Sandland
District Council Mount Remarkable Building, Health & Inspectoral Advisory Committee :	Cr Mills & T Barnes(CEO)
Peterborough Youth Advisory Committee :	Cr Sleep
Central Local Government Region Of SA – Waste Strategy Steering Committee :	CEO,
The Informer :	CEO, RTC Manager, Cr Mesecke
P.S.M.H. – Health Promotion Committee :	General Inspector :
Plant Replacement Advisory Committee :	Works Manager, Manager Fin & Admin., Cr Sandland, Cr Clapp
Shared Services Investigations :	Mayor Whittle proxy Cr Sandland
Greg Duggan Nature Reserve – Development Committee	Cr Clapp, Cr Sandland, Cr Mesecke, CEO Works Manager
Pageant Committee –	Crs Sandland, Sleep & Chambers, Mayor Whittle
Town Hall Advisory Committee -	Crs Chambers & Mesecke, Mayor Whittle



Public Participation :

Council Meetings

Members of the public have a number of opportunities to put forward their views on particular issues before Council. These are :-

Deputations

With the permission of the Mayor, a member of the public can address the Council personally, either as an individual or on behalf of a group of residents, on any issue relevant to Council.

Petitions

Written petitions can be addressed to Council on any issue within the Council's jurisdiction.

Written Requests

A member of the public can write to the Council on any Council policy, activity or service.

Elected Members

Members of the public can contact any elected member of Council to discuss any issue relevant to Council.

Confidential Minutes Council excluded the public from the meetings on three (3) occasions in 2010/2011. The matters considered under confidentiality can be summarised as negotiations and issues relating to staff employment, legal advice, and/or purchase of property.

Council Consultation

The Council consults with local residents on particular issues that affect their neighbourhood. A Public Consultation policy was adopted in December 2000 (reviewed annually) and is available for inspection at the Council office and on the Council web-site.

Access to Council Documents

The following documents are available for public inspection at the Council office and copies are available for a small charge.

- ❖ Agenda and Minutes
- ❖ Budget Statement
- ❖ Policy Manual
- ❖ Annual Report
- ❖ Annual Financial Statement
- ❖ Development Plan
- ❖ Development Application Register
- ❖ Assessment Book
- ❖ Register of Members Allowances and Benefits
- ❖ Register of Employee Salaries, Wages and Benefits
- ❖ Strategic Plan
- ❖ Council's By-Laws





Other Information Requests

Requests for other information not included above will be considered in accordance with the Freedom of Information Act. Under this legislation, an application fee must be forwarded with the written application.

Should the applicant require copies of any documents inspected pursuant to a Freedom of Information request, charges will apply. Freedom of Information (FOI) requests should be addressed to :-

Freedom of Information Officer
District Council of Peterborough
P.O. Box 121
PETERBOROUGH SA 5422

Applications will be responded to as soon as possible within the statutory 30 days of Council receiving a properly completed Freedom of Information request, together with the application fee.

There were no applications in 2010 - 2011



**LOCAL GOVERNMENT ACT, 1999 – Section 131 & Schedule 4****1 (a) Audited Financial Statements**

A copy of the audited Financial Statement is attached - see Attachment I

(b) Registers

The following is a list of Council registers: -

Cemetery Register
 Dog Registration Register
 Mobile Garbage Bin Register
 Deeds Register
 Lease and Contracts Register
 Campaign Donations (Elections Act)
 Primary and Ordinary Returns (Elections Act).
 Volunteer Register
 Assessment Book

(c) Code of Conduct

Council adopted its Code of Conduct as required under Sections 63 and 110 of the Local Government Act, 1999 on 22nd April 2003.(Reviewed annually)

(d) Policy Documents

The following additional policies have been adopted in the reporting year:-

<u>Policy Name</u>	<u>Adoption Date</u>	<u>Motion No.</u>
Bank Signatories	22/11/10	236/11/10
Slashing Policy	18/04/11	60/04/11
Fees & Charges	27/06/11	132/06/11sp.
Financial Assistance – Groups	27/06/11	119/06/11sp.

(e) Allowances

Information on allowances paid to members of Council : -

Mayor :	(Mrs) I (Ruth) Whittle OAM	\$20,000
Deputy Mayor	Cr J Sandland	\$ 6,250
Councillors:	Cr Leon Clapp	\$ 5,000
	Cr Shane Mills	\$ 5,000
	Cr Cassandra Chambers	\$ 5,000
	Cr Frank Hardbottle	\$ 5,000
	Cr Kim Miller	\$ 5,000
	Cr S Mesecke	\$ 5,000
	Cr Belinda Sleep	\$ 5,000



**(f) Senior Executive Officers**

Information on the number of senior executive officers, allowances, bonuses and benefits is as follows: -

Chief Executive Officer

Salary

Contract

Motor Vehicle

Business and private use

Council Residence

\$80 per week paid by employee

Telephone Subsidy

\$300 per annum

Manager of Finance & Administration

Salary

Contract

Motor Vehicle

Business and private use

Other

Works Manager

Salary

Contract

Motor Vehicle

Business and private use

(g) Representation Quota

The Representation Review as prescribed in Section 12(a) Local Government Act, 1999 was concluded in December 2008.

- There are no wards within the District Council of Peterborough.
- The Representation Quota for this Council is 1/150 Electors : 1,351
- Councillors were elected for a four (4) year term - the next election is November 2014.

Council is cognisant of the provisions of Chapter 3 of the Local Government Act, 1999 for electors to make submissions on representation under the Act.

Representation Quota Comparison :

District Council of Mount Remarkable	1 : 326	Electors	2,284
District Council of Orreroo/Carrieton	1 : 100	Electors	701
The Flinders Ranges Council	1 : 133	Electors	1,202
Northern Areas Council	1 : 392	Electors	3,530
District Council of Barunga West	1 : 224	Electors	2,022
Regional Council of Goyder	1 : 453	Electors	3,173

(Source: Electoral Commission of S.A.)





2 (a) **Strategic Management Plan – 2011 /2015 – A Thriving Community Again**

Council adopted the Strategic Plan 2011-2015 with Resolution 03/01/11.

(b) **Competitive Tendering**

Council is mindful of its obligations in this regard and has prepared a Contract and Tenders Policy in accordance with section 49 of the Local Government Act, 1999.

Council formally adopted this policy on 22nd April 2003. (Reviewed annually)

(c) **Equal Opportunity Programme and Human Resource Management**

Council is supportive of, and adheres to, equal opportunity processes.

Training is provided to staff to ensure a more efficient workforce.

Examples of training provided to Administration and Depot staff members include:

Fire Prevention

Sect 7 Statements

Aerodrome training

White Card training

Fire Extinguisher use

Reception – in-house

OHS&W Committee member

(d) **Management Plan for Community Land**

Council's Management Plan for Community Land, prepared by Maloney Field Services, was adopted at the meeting held 5th October 2004.

3. **Government Business Enterprises Act (Competition) Act 1996:**

In accordance with Section 7 of the above Act, Council is required to review its business activities in order to determine whether Council is involved in any "significant business activities" that should be subject to that Act.

The following activities were identified :

* Steamtown Heritage Rail Centre

* Private works

Having identified these activities, it has been established that they are not significant, and therefore cannot be classed as category 1 or 2 under the Government Business Enterprises (Competition) Act, 1996.

Council adopted this Annual Report at the Ordinary meeting held on :

19th December 2011

Resolution : 230/12/11

(Mrs) I R (Ruth) Whittle O.A.M.

Mayor

District Council of Peterborough





**DISTRICT COUNCIL
of
PETERBOROUGH**

Financial Report

For the Period Ending

30th June 2011

Resolution No. : 223/12/11

District Council of Peterborough

General Purpose Financial Reports for the year ended 30 June 2011

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District Council of Peterborough

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2011

	Notes	2011 \$	2010 \$
INCOME			
Rates	2	1,245,329	1,051,771
Statutory charges	2	24,438	31,906
User charges	2	264,622	178,337
Grants, subsidies and contributions	2	2,309,830	1,389,367
Investment income	2	113,916	94,853
Reimbursements	2	50,273	88,443
Other income	2	20,050	55,123
Total Income		4,028,459	2,889,800
EXPENSES			
Employee costs	3	1,436,439	1,257,718
Materials, contracts & other expenses	3	1,930,651	1,424,757
Depreciation, amortisation & impairment	3	1,798,707	1,705,401
Finance costs	3	26,447	-
Total Expenses		5,192,244	4,387,876
OPERATING SURPLUS / (DEFICIT)		(1,163,786)	(1,498,076)
Asset disposal & fair value adjustments	4	(32,087)	(27,108)
NET SURPLUS / (DEFICIT)		(1,195,873)	(1,525,184)
transferred to Equity Statement			
TOTAL COMPREHENSIVE INCOME		(1,195,873)	(1,525,184)

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

District Council of Peterborough

BALANCE SHEET as at 30 June 2011

	Notes	2011 \$	2010 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,272,555	2,864,658
Trade & other receivables	5	187,293	234,767
Other financial assets	5	17,000	14,179
Inventories	5	1,834	1,799
		<u>3,478,682</u>	<u>3,115,403</u>
Non-current Assets held for Sale	20	-	-
Total Current Assets		<u>3,478,682</u>	<u>3,115,403</u>
Non-current Assets			
Infrastructure, Property, Plant & Equipment	7	20,034,650	21,222,162
Other Non-current Assets	6	85,501	-
Total Non-current Assets		<u>20,120,151</u>	<u>21,222,162</u>
Total Assets		<u>23,598,833</u>	<u>24,337,565</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	2,264,039	1,785,135
Borrowings	8	37,347	34,811
Provisions	8	125,437	107,546
Other Current Liabilities	8	-	-
		<u>2,426,823</u>	<u>1,927,492</u>
Total Current Liabilities		<u>2,426,823</u>	<u>1,927,492</u>
Non-current Liabilities			
Borrowings	8	320,895	358,241
Provisions	8	37,579	42,424
Total Non-current Liabilities		<u>358,474</u>	<u>400,665</u>
Total Liabilities		<u>2,785,297</u>	<u>2,328,157</u>
NET ASSETS		<u>20,813,536</u>	<u>22,009,408</u>
EQUITY			
Accumulated Surplus		(4,129,146)	(2,933,273)
Asset Revaluation Reserves	9	24,942,681	24,942,681
TOTAL EQUITY		<u>20,813,535</u>	<u>22,009,408</u>

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

District Council of Peterborough

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2011

	Notes	Accumulated Surplus	Asset Revaluation Reserve	Available for sale Financial Assets	Other Reserves	TOTAL EQUITY
2011		\$	\$	\$	\$	\$
Balance at end of previous reporting period		(2,933,273)	24,942,681	-	-	22,009,408
Restated opening balance		(2,933,273)	24,942,681	-	-	22,009,408
Net Surplus / (Deficit) for Year		(1,195,873)				(1,195,873)
Balance at end of period		(4,129,146)	24,942,681	-	-	20,813,535
2010						
Balance at end of previous reporting period		(1,408,089)	24,942,681		-	23,534,592
Restated opening balance		(1,408,089)	24,942,681	-	-	23,534,592
Net Surplus / (Deficit) for Year		(1,525,184)				(1,525,184)
Balance at end of period		(2,933,273)	24,942,681	-	-	22,009,408

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

District Council of Peterborough

CASH FLOW STATEMENT for the year ended 30 June 2011

	2011	2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
<u>Receipts</u>		
Operating receipts	4,455,528	3,377,348
Investment receipts	109,409	92,825
<u>Payments</u>		
Operating payments to suppliers & employees	(3,335,034)	(2,825,209)
Finance payments	(55,592)	(2,878)
Net Cash provided by (or used in) Operating Activities	1,174,310	642,086
 CASH FLOWS FROM INVESTING ACTIVITIES		
<u>Receipts</u>		
Sale of replaced assets	95,098	111,859
<u>Payments</u>		
Expenditure on renewal/replacement of assets	(465,375)	(1,389,112)
Expenditure on new/upgraded assets	(358,506)	
Net purchase of investment securities	(2,821)	
Net Cash provided by (or used in) Investing Activities	(731,604)	(1,277,253)
 CASH FLOWS FROM FINANCING ACTIVITIES		
<u>Payments</u>		
Repayments of Borrowings	(34,810)	(32,448)
Net Cash provided by (or used in) Financing Activities	(34,810)	(32,448)
Net Increase (Decrease) in cash held	407,896	(667,615)
 Cash & cash equivalents at beginning of period	11 2,864,658	3,532,273
Cash & cash equivalents at end of period	11 <u>3,272,554</u>	<u>2,864,658</u>

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

2 The Local Government Reporting Entity

District Council of Peterborough is incorporated under the SA Local Government Act 1999 and has its principal place of business at 108 Main Street, Peterborough. These financial statements include the consolidated fund and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

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

3 Income recognition

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

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 1 - Significant Accounting Policies (cont)

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

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

5.1 Real Estate Assets Developments

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

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

5.2 Other Real Estate held for resale

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

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost.

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

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 1 - Significant Accounting Policies (cont)

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

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	\$1,000
Other Plant & Equipment	\$1,000
Buildings - new construction/extensions	\$10,000
Park & Playground Furniture & Equipment	\$2,000
Road construction & reconstruction	\$10,000
Paving & footpaths, Kerb & Gutter	\$2,000
Drains & Culverts	\$5,000
Reticulation extensions	\$5,000
Sidelines & household connections	\$5,000
Artworks	\$5,000

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

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

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

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
Infrastructure	
Sealed Roads – Surface	15 to 25 years
Sealed Roads – Structure	20 to 50 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains	80 to 100 years
Culverts	50 to 75 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 1 - Significant Accounting Policies (cont)

Bores	20 to 40 years
Reticulation Pipes – PVC	70 to 80 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	15 to 25 years
Other Assets	
Library Books	10 to 15 years
Artworks	indefinite

6.5 Impairment

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

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

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

6.6 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Borrowings

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 1 - Significant Accounting Policies (cont)

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

Weighted average discount rate	4.989% (2010, 4.814%)
Weighted average settlement period	12 years (2010, 11years)

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

9.2 Superannuation

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

10 Construction Contracts

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

11 Joint Ventures and Associated Entities

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

12 Leases

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

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

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

13 GST Implications

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

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 1 - Significant Accounting Policies (cont)

- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

14 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2011 reporting period and have not been used in preparing these reports.

- AASB 1 *First-time Adoption of Australian Accounting Standards*
- AASB 3 *Business Combinations*
- AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*
- AASB 7 *Financial Instruments: Disclosures*
- AASB 8 *Operating Segments*
- AASB 9 *Financial Instruments*
- AASB 101 *Presentation of Financial Statements*
- AASB 107 *Statement of Cash Flows*
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
- AASB 110 *Events after the Reporting Period*
- AASB 118 *Revenue*
- AASB 119 *Employee Benefits*
- AASB 132 *Financial Instruments: Presentation*
- AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*
- AASB 139 *Financial Instruments: Recognition and Measurement*
- AASB 140 *Investment Property*
- AASB 1031 *Materiality*
- AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]*
- AASB 2009-12 *Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 1023 & 1032 and Interpretations 2, 4, 16, 1039 & 1052]*
- AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASBs 3, 7, 121, 128, 131, 132 & 139]*
- AASB 2010-5 *Amendments to Australian Accounting Standards [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]*
- 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]*
- *Interpretation 14* AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
(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.

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 2 - INCOME

	Notes	2011 \$	2010 \$
RATES REVENUES			
<u>General Rates</u>		1,009,914	950,664
Less: Discretionary rebates, remissions & write offs		(21,004)	(24,662)
		988,910	926,002
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		23,346	21,473
Waste collection		218,534	94,830
		241,880	116,303
<u>Other Charges</u>			
Penalties for late payment		14,540	9,466
		14,540	9,466
		1,245,329	1,051,771
STATUTORY CHARGES			
Development Act fees		2,971	6,198
Town planning fees		2,374	4,215
Animal registration fees & fines		15,904	17,186
Parking fines / expiation fees		370	701
Sundry		2,820	3,806
		24,438	31,906
USER CHARGES			
Cemetery/crematoria fees		15,021	17,077
Rural Transaction Centre		7,485	8,733
Informer		6,996	5,434
Council House Rent		4,160	4,160
Sport and Recreation Reserves		10,100	12,317
Dump		16,475	14,225
Swimming Pool Charges		13,607	13,635
Other User Charges		11,782	15,108
Steamtown		168,405	78,755
Other Commercial Activities		3,934	3,186
Hall & equipment hire		6,657	5,707
		264,622	178,337
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		111,273	93,899
Banks & other		2,644	954
		113,916	94,853

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

NOTE 2 - INCOME (continued)

	Notes	2011 \$	2010 \$
REIMBURSEMENTS			
- Community Services Coordinator		2,383	2,600
- for private works		20,738	32,142
- Immunisation		1,793	1,505
- other		25,359	52,196
		<u>50,273</u>	<u>88,443</u>
OTHER INCOME			
Fines & Costs Recovered		3,033	6,214
Sundry		17,017	48,909
		<u>20,050</u>	<u>55,123</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Other grants, subsidies and contributions		2,309,830	1,389,367
		<u>2,309,830</u>	<u>1,389,367</u>
<i>The functions to which these grants relate are shown in Note 2.</i>			
Sources of grants			
Commonwealth government		2,025,173	1,319,791
State government		284,657	69,576
		<u>2,309,830</u>	<u>1,389,367</u>

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 3 - EXPENSES

	Notes	2011 \$	2010 \$
EMPLOYEE COSTS			
Salaries and Wages		1,210,939	956,469
Employee leave expense		85,759	150,558
Superannuation - defined contribution plan contributions	18	79,967	73,700
Superannuation - defined benefit plan contributions	18	32,357	32,438
Workers' Compensation Insurance		27,417	44,553
Total Operating Employee Costs		1,436,439	1,257,718
 Total Number of Employees		 30	 25
<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		4,500	6,490
Elected members' expenses		55,330	25,359
Election expenses		8,451	9,422
Subtotal - Prescribed Expenses		68,281	41,271
 <u>Other Materials, Contracts & Expenses</u>			
Contractors		554,468	479,841
Energy		72,555	84,015
Other Materials		563,683	220,529
Fuel/Lubricants		92,589	76,837
Insurance		212,041	208,656
Subscriptions		18,329	19,403
Waste Collection & Disposal		171,484	123,917
Water		35,736	40,778
Maintenance		105,758	104,033
Legal Expenses		35,729	25,477
Subtotal - Other Materials, Contracts & Expenses		1,862,370	1,383,486
		1,930,651	1,424,757

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 3 - EXPENSES (cont)

	Notes	2011 \$	2010 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		363,493	363,970
Infrastructure		987,017	983,146
Plant & Equipment		190,777	188,638
Furniture & Fittings		64,214	26,109
Steamtown		193,206	143,538
		<u>1,798,707</u>	<u>1,705,401</u>
		<u>1,798,707</u>	<u>1,705,401</u>
FINANCE COSTS			
Interest on Loans		26,447	
		<u>26,447</u>	<u>-</u>

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2011 \$	2010 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		95,098	111,859
Less: Carrying amount of assets sold		<u>127,185</u>	<u>138,967</u>
Gain (Loss) on disposal		<u>(32,087)</u>	<u>(27,108)</u>
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		 <u>(32,087)</u>	 <u>(27,108)</u>

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

	2011	2010
	\$	\$
CASH & EQUIVALENT ASSETS		
Cash on Hand and at Bank	257,086	374,104
Deposits at Call	3,002,981	2,478,484
Short Term Deposits & Bills, etc	12,488	12,070
	<u>3,272,555</u>	<u>2,864,658</u>
 TRADE & OTHER RECEIVABLES		
Rates - General & Other	118,056	65,815
Accrued Revenues	27,682	23,175
Debtors - general	40,980	144,785
Sundry	575	992
Total	<u>187,293</u>	<u>234,767</u>
	<u>187,293</u>	<u>234,767</u>
 OTHER FINANCIAL ASSETS		
Term Deposit (Sporting Complex)	17,000	14,179
	<u>17,000</u>	<u>14,179</u>
 <i>Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 13.</i>		
 INVENTORIES		
Stores & Materials	1,834	1,799
	<u>1,834</u>	<u>1,799</u>

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 6 - NON-CURRENT ASSETS

	Notes	2011 \$	2010 \$
FINANCIAL ASSETS			
OTHER NON-CURRENT ASSETS			
Inventories			
Capital Works-in-Progress		<u>85,501</u>	<u>-</u>
		<u>85,501</u>	<u>-</u>

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

	2010 \$				2011 \$			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT								
Land	463,750	20,643	-	484,393	459,620	20,643	-	480,263
Land Improvements	-	-	-	-	-	-	-	-
Buildings & Other Structures	19,340,869	-	(14,072,648)	5,268,221	19,340,869	-	(14,436,141)	4,904,728
Infrastructure	26,820,682	215,780	(14,855,307)	12,181,155	26,820,682	574,286	(15,842,324)	11,552,644
Plant & Equipment	-	2,843,725	(1,449,019)	1,394,706	-	2,903,152	(1,613,817)	1,289,335
Furniture & Fittings	-	705,256	(237,898)	467,358	-	876,670	(302,113)	574,557
Steamtown	-	1,932,060	(505,731)	1,426,329	-	1,932,060	(698,937)	1,233,123
TOTAL PROPERTY, PLANT & EQUIPMENT	46,625,301	5,717,464	(31,120,603)	21,222,162	46,621,171	6,306,811	(32,893,332)	20,034,650
<i>Comparatives</i>	<i>46,747,107</i>	<i>4,439,811</i>	<i>(29,509,500)</i>	<i>21,677,418</i>	<i>46,625,301</i>	<i>5,717,464</i>	<i>(31,120,603)</i>	<i>21,222,162</i>

This Note continues on the following pages.

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

	CARRYING AMOUNT MOVEMENTS DURING YEAR								2011 \$
	2010 \$	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation	
		New/Upgrade	Renewals						
Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT									
Land	484,393	-	-	(4,130)	-	-	-	-	480,263
Land Improvements	-	-	-	-	-	-	-	-	-
Buildings & Other Structures	5,268,221	-	-	-	(363,493)	-	-	-	4,904,728
Infrastructure	12,181,155	358,506	-	-	(987,017)	-	-	-	11,552,644
Plant & Equipment	1,394,706	-	208,461	(123,055)	(190,777)	-	-	-	1,289,335
Furniture & Fittings	467,358	-	171,413	-	(64,214)	-	-	-	574,557
Steamtown	1,426,329	-	-	-	(193,206)	-	-	-	1,233,123
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	21,222,162	358,506	379,874	(127,185)	(1,798,707)	-	-	-	20,034,650
Comparatives	21,677,418	704,192	682,737	(136,784)	(1,705,401)				21,222,162

This Note continues on the following pages.

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

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

Valuation of Assets

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost for the purposes of AIFRS.

Land & Land Improvements

Valuations of Land as at 30 June 2008 were at replacement cost as determined by Maloney Field Services and certified by Peta L Mantzarapis, Certified Practicing Valuer of the Australian Institute of Valuers and Land Economists.

Additions are recognised at cost.

Buildings

Valuations of Buildings as at 30 June 2008 were at written down replacement cost as determined by Maloney Field Services and certified by Peta L Mantzarapis, Certified Practicing Valuer of the Australian Institute of Valuers and Land Economists.

Additions are recognised at cost.

Plant & Equipment

Valuations of Plant & Equipment as at 30 June 2003 were at written down replacement cost as determined by Maloney Field Services and certified by Andrea J Carolan, Certified Practicing Valuer of the Australian Institute of Valuers and Land Economists.

Additions are recognised at cost.

Furniture & Equipment

Valuations of Furniture & Equipment as at 30 June 2003 were at written down replacement cost as determined by Maloney Field Services and certified by Andrea J Carolan, Certified Practicing Valuer of the Australian Institute of Valuers and Land Economists.

Additions are recognised at cost.

Infrastructure

Valuations of Infrastructure as at 30 June 2008 were at written down replacement cost as determined by Maloney Field Services and certified by Peta L Mantzarapis, Certified Practicing Valuer of the Australian Institute of Valuers and Land Economists.

Additions are recognised at cost.

Steamtown

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 8 - LIABILITIES

		2011		2010	
		\$		\$	
	Notes	Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		480,372		293,015	
Payments received in advance		1,509,757		1,235,689	
Accrued expenses - employee entitlements		178,984		123,341	
Accrued expenses - other		5,816		34,961	
Deposits, Retentions & Bonds		89,110		98,129	
		<u>2,264,039</u>	-	<u>1,785,135</u>	-
 BORROWINGS					
Loans		<u>37,347</u>	<u>320,895</u>	<u>34,811</u>	<u>358,241</u>
		<u>37,347</u>	<u>320,895</u>	<u>34,811</u>	<u>358,241</u>
 PROVISIONS					
Employee entitlements (including oncosts)		<u>125,437</u>	<u>37,579</u>	<u>107,546</u>	<u>42,424</u>
		<u>125,437</u>	<u>37,579</u>	<u>107,546</u>	<u>42,424</u>

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2010	Net Increments (Decrements)	Transfers, Impairments	30/6/2011
Notes	\$	\$	\$	\$
Land	303,232			303,232
Plant & Equipment	731,046			731,046
Furniture & Fittings	86,437			86,437
Buildings & Other Structures	6,301,884			6,301,884
Infrastructure	17,520,082			17,520,082
TOTAL	24,942,681			24,942,681
<i>Comparatives</i>	<i>24,942,681</i>			<i>24,942,681</i>

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

	Notes	2011 \$	2010 \$
Total cash & equivalent assets	5	<u>3,272,555</u>	<u>2,864,658</u>
Balances per Cash Flow Statement		<u>3,272,555</u>	<u>2,864,658</u>

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

Net Surplus (Deficit)	(1,195,873)	(1,525,184)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,798,707	1,705,401
Net increase (decrease) in unpaid employee benefits	68,689	17,001
Premiums & discounts recognised & unwound	-	3,723
Net (Gain) Loss on Disposals	<u>32,087</u>	<u>27,108</u>
	703,610	228,049
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	47,474	(105,316)
Net (increase) decrease in inventories	(35)	3,233
Net increase (decrease) in trade & other payables	<u>423,261</u>	<u>516,120</u>
Net Cash provided by (or used in) operations	<u>1,174,310</u>	<u>642,086</u>

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

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	2011	2010	2011	2010
2011	2010	2011	2010	2011	2010	\$	\$	\$	\$
2,226,635	1,936,793	761,203	758,118	1,465,432	1,178,675	1,214,299	956,882		
-	-	11,892	8,865	(11,892)	(8,865)				
1,793	1,535	784	4,830	1,009	(3,295)				
79,202	80,025	123,776	125,033	(44,574)	(45,008)	57,020	54,664		
255,633	133,304	500,489	396,697	(244,856)	(263,393)				
115,438	51,999	550,505	543,886	(435,067)	(491,887)	77,089	14,685		
23,346	21,472	23,645	24,488	(299)	(3,016)				
23,111	32,083	171,564	172,728	(148,453)	(140,645)				
783,488	192,000	2,162,365	1,798,347	(1,378,877)	(1,606,347)	783,488	192,000		
194,369	287,868	668,755	338,018	(474,386)	(50,150)		171,136		
325,444	152,721	65,277	53,750	260,167	98,971	177,934	-	23,598,833	24,337,565
		151,989	163,116	(151,989)	(163,116)				
4,028,459	2,889,800	5,192,244	4,387,876	(1,163,785)	(1,498,076)	2,309,830	1,389,367	23,598,833	24,337,565
TOTALS									

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Administration

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

Community Services

Public Order and Safety, Emergency Services, Other Fire Protection, Other Public Order and Safety, Immunisation, Community Support, Elderly Citizens Facilities, Home Assistance Scheme, Other Services for the Aged and Disabled, Child Care Centres, Children and youth Services, community Assistance, Community Transport, Family and Neighbourhood Support, Other Community Support, Community Amenities, Cemeteries, public Conveniences, Car Parking – non-fee-paying.

Recreation Culture

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

Economic Development

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

Agricultural

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

Regulatory Services

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

Transport & Communication

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

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 4.50% and 4.75% (2010: 2.75% and 4.50%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
<p>Receivables - Rates & Associated Charges (including legals & penalties for late payment)</p> <p>Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.</p>	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of 0.75% (2010: 0.75%) 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 equal 6 monthly installments of principal & interest; interest is charged at fixed rates between 6.25% and 8.05% (2010: 6.25% and 8.05%)</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 117.</p>

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2011	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	3,272,555			3,272,555	3,272,555
Receivables	69,237			69,237	69,237
Other Financial Assets		17,000		17,000	17,000
Total	3,341,792	17,000	-	3,358,792	3,358,792
Financial Liabilities					
Payables	2,079,239			2,079,239	2,079,239
Current Borrowings	37,347			37,347	37,347
Non-Current Borrowings		223,358	97,537	320,895	320,895
Total	2,116,586	223,358	97,537	2,437,481	2,437,481

2010	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	2,864,658			2,864,658	2,864,658
Receivables	168,952			168,952	168,952
Other Financial Assets		14,179		14,179	14,179
Total	3,033,610	14,179	-	3,047,789	3,047,789
Financial Liabilities					
Payables	1,626,834			1,626,834	1,626,833
Current Borrowings	34,811			34,811	34,811
Non-Current Borrowings		216,058	142,183	358,241	358,241
Total	1,661,645	216,058	142,183	2,019,886	2,019,885

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

	30 June 2011		30 June 2010	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Overdraft				
Other Variable Rates		2,079,239		1,626,833
Fixed Interest Rates	7.0	358,242	7.0	393,052
		2,437,481		2,019,885

Net Fair Value

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

Risk Exposures

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

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

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

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 15 - FINANCIAL INDICATORS

2011 2010 2009

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	\$	(1,163,786)	(1,498,076)	(113,537)
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Being the operating surplus (deficit) before capital amounts .

Adjusted Operating Surplus		(1,163,786)	(1,498,076)	(453,544)
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In each of June 2009, 2010 and 2011 the Commonwealth Government made an advance payment of one quarterly payment of the Financial Assistance Grant (see Note 3). Accordingly there were five "quarterly" payments in 2009, and four payments in each of 2010 and 2011. The Adjusted Operating Surplus and Adjusted Operating Surplus Ratio adjust for this distortion.

Operating Surplus Ratio

<u>Operating Surplus</u>	(95%)	(145%)	(12%)
Rates - general & other less NRM levy			

Adjusted Operating Surplus Ratio	(95%)	(145%)	(48%)
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This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.

Net Financial Liabilities	\$	(691,551)	(785,447)	(1,852,142)
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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>	-17%	-27%	-40%
Total Operating Revenue less NRM levy			

Interest Cover Ratio

<u>Net Interest Expense</u>	(2.2%)	(3.4%)	(2.8%)
Total Operating Revenue less NRM levy less Investment Income			

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	21%	75%	40%
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>	37%	40%	42%
Gross value of depreciable assets			

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 16 - UNIFORM PRESENTATION OF FINANCES

	2011 \$	2010 \$
Income	4,028,459	2,889,800
<i>less</i> Expenses	<u>5,192,244</u>	<u>4,387,876</u>
Operating Surplus / (Deficit)	(1,163,786)	(1,498,076)
<i>less</i> Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	465,375	1,389,112
<i>less</i> Depreciation, Amortisation and Impairment	1,798,707	1,705,401
<i>less</i> Proceeds from Sale of Replaced Assets	<u>95,098</u>	<u>111,859</u>
	(1,428,430)	(428,148)
<i>less</i> Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	358,506	-
	<u>358,506</u>	<u>-</u>
Net Lending / (Borrowing) for Financial Year	<u>(93,862)</u>	<u>(1,069,928)</u>

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 18 – SUPERANNUATION

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

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2010/11 for Marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2009/10). 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 is currently 6.3% (6% in 2009/10) 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% 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.

The most recent full actuarial investigation conducted by the Scheme's actuary, L C Brett, BSc., FIA, FIAA, of Brett and Watson Pty Ltd as at 30 June 2008, the Trustee has determined that the current funding arrangements are adequate for the expected Defined Benefit Plan liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

Note 19 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET

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

1. LAND UNDER ROADS

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

At reporting date, Council controlled 2,265 km of road reserves of average width 7 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 guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$0.00 (2010: \$0.00) at reporting date.

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

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 no 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.

5. In December 2010 and February 2011 major rain fell in the Council district causing major damage to the District gravel roads. As a result Council has made a claim against the South Australian Local Government Disaster Fund. The claim was approved on 04th October 2011 for \$3,093,253 (less 10% of works budget). These funds will be paid to Council in Installments over the next 3 to 4 years and work will commence in the second half of the 2011-2012 financial year most of which will be considered repair (patch) work. No impairment has been recognised in the financial statements as the roads infrastructure is being revalued in the 2011/12 financial year.

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

I have audited the accompanying financial report of the District Council of Peterborough which comprises the balance sheet as at 30 June 2011 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 2011.

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 1999. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Independence

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

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the District Council of Peterborough as of 30 June 2011, 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 1999.

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

Signed 13 day of December 2011 at Eastwood, South Australia
Liability limited by a scheme approved under Professional Standards Legislation

DISTRICT COUNCIL OF PETERBOROUGH

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

STATEMENT BY AUDITOR

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

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



Ian G McDonald FCA

Dated this 13 day of October 2011

DISTRICT COUNCIL OF PETERBOROUGH

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2011

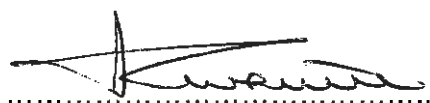
CERTIFICATION OF FINANCIAL STATEMENTS

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

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Council's financial position at 30 June 2011 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.



Terry D Barnes
CHIEF EXECUTIVE OFFICER



Irene Ruth Whittle
MAYOR/COUNCILLOR

Date: 13/12/11

DISTRICT COUNCIL OF PETERBOROUGH

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2011

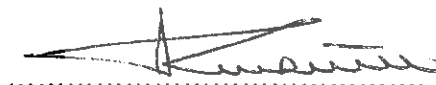
CERTIFICATION OF AUDITOR INDEPENDENCE

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

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



Terry D Barnes
CHIEF EXECUTIVE OFFICER



Irene Ruth Whittle
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 13/12/11



Amalgamated 1997

District Council of Peterborough

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POSTAL ADDRESS

P.O. BOX 121

PETERBOROUGH S.A. 5422

Phone: (08) 8651 3566

Fax: (08) 8651 3066

12 October 2011

Mr Ian G McDonald FCA
PO Box 75
HENLEY BEACH SA 5022

Dear Ian

This representation letter is provided in connection with your audit of the financial report of the District Council of Peterborough for the year ended 30 June 2011, for the purpose of you expressing an opinion as to whether the financial report is, in all material respects, presented fairly in accordance with relevant Australian Accounting Standards statutory and other requirements.

We acknowledge our responsibility for ensuring that the financial report is in accordance with relevant Australian Accounting Standards statutory and other requirements, and confirm that the financial report is free of material misstatements, including omissions.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

1. We have made available to you:
 - (a) all financial records and related data, other information, explanations and assistance necessary for the conduct of the audit; and
 - (b) minutes of all meetings of the Council.
2. There:
 - (a) has been no fraud, error, or non-compliance with laws and regulations involving management or employees who have a significant role in the internal control structure;
 - (b) has been no fraud, error, or non-compliance with laws and regulations that could have a material effect on the financial report;
 - (c) have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.
3. We have established and maintained an adequate internal control structure to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.
4. We have no plans or intentions that may materially effect the carrying values, or classification, of assets and liabilities.
5. We have considered the requirements of AASB 116 "Property, Plant and Equipment" when assessing the carrying value of non-current assets and in ensuring that no non-current assets are stated in excess of their recoverable amount.

6. There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial report or as a basis for recording an expense.
7. The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral. Allowances for depreciation have been adjusted for all important items of property, plant and equipment that have been abandoned or are otherwise unusable.
9. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
10. There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.
11. No events have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial report.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Irene Ruth Whittle', with a stylized flourish at the end.

Irene Ruth Whittle OAM
Chairperson
Audit Committee
District Council of Peterborough