

DISTRICT COUNCIL of PETERBOROUGH



Amalgamated 1997

ANNUAL REPORT

Incorporating the Audited Financial Statements 2015/2016

2015 / 2016

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The content of Council's 2015 - 2016 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 : 2015/2016 :

We have had a great year – with lots of good things happening in our area. There are many things to be thankful for in 2015/16.

The period has not been without problems and controversies but to reflect on those gives in to negativism and casts doubt on our ability to do the right thing by the people of Peterborough and District. The Councillors and staff who serve the District Council of Peterborough are a dedicated and hard working group of people and I will thank them at the outset of my report rather than at the end. They all deserve upfront recognition for dealing with situations, often beyond our control, and the humanity who create the situations at times. The Ombudsman has featured well in our year. We have had complaints levelled against the Council Staff and Councillors and in all cases, it has been proven that the Staff and Councillors have done the right thing and served the community as they are honour bound to do. Well done to our Chief Executive Officer, Peter McGuinness, our Works Manager, Chris Thomson, all Staff and Councillors for your hard work and your adherence to policies and procedures and for carrying out the wishes of the DCP. My thanks to the Staff – permanent, part time and casual - at the Depot, Steamtown, Library, Town Hall, Tourism and Rural Transaction Office for everything you do well for Peterborough and District.

We have had assistance and support from the Minister of Local Government and Minister for Regional Affairs the Honourable Geoff Brock MP. The Minister has supported us with finance for our now completed Hard Stand Helipad and the provision of financial assistance for 3 years to employ an Economic Development Officer. Nicole Lewis has proven to be an asset beyond price and has settled in to her new role with flair, credibility and common sense – all underlined by hard work. Our Local Member Dan Van Holst Pellekaan MP for Stuart supports us in all we undertake. His advice, interest and presence at many of our celebrations and commemorations boosts us all.

We are now embarking on a continuation of our Main Street Project with the undergrounding of the power lines in the middle part of the street, the addition of protuberances in front of 5 businesses to enable street furniture and greenery to be placed, the provision of free Wi Fi for limited times slots for the public and tourists alike and the renovation of shop fronts in the business sector. New light poles with up to date lighting will be set along the Main Street. Participating businesses will have verandas fixed, facades and shop fronts painted and posts replaced or repaired. Empty shops will have the windows decorated with photos or posters taking away the ‘empty’ look to the Main Street. This is a mammoth project brought about by the generosity of the Minister in conjunction with Regional Development Australia.

The Don Ferguson Drive Project nears its’ end and complements the Town Square as it was envisaged. The planting of nearly 1000 trees, shrubs and lawns, completion of the walking trail from the Visitor Information Centre to Steamtown and the placement of viewing platforms and improvement to the Papier Mâché and Wire Works precinct have been well received. The lighting by solar lights has added to the experience during the evenings.

The business of the Visitor Information Centre has moved to Steamtown Heritage Rail Centre (SHRC). This decision has been carefully considered by staff and Councillors in the interests of Tourism and Finance. No one likes change but sometimes things must change to progress. The cost of our burgeoning tourism industry is increasing and so discussions and hard decisions have resulted in the move. The Staff will maintain their positions at SHRC and provide the same service 7 days per week. The financial savings will show in the second year of operation and make the tourism budget more manageable.

The other positive about the move is the fact that Tourism Peterborough at SHRC has applied for and obtained accreditation and the coveted yellow ‘I’ from SA Tourism – thereby opening ourselves up to extra marketing and placement on all SA Tourism websites and ‘places to see’ promotions. Pat Kent, our Tourism and Marketing Manager, as well as Manager of Steamtown Heritage Rail Centre, has been instrumental in doing the background work on the move and the maintenance of our place in the tourism industry in South Australia. The Visitor Information Centre carriage will remain ‘in situ’ and be turned into a major tourist attraction for Peterborough. Planning is now underway.





In February of this year, we were honoured to attend the Australian Tourism Awards in Melbourne as the State winner for Destination Marketing. A great coup for Peterborough and once again thanks to the efforts of Pat Kent. This award was the result of months of planning and execution of our 'Heritage Rail Trail' from Broken Hill through Peterborough to Port Pirie. It has helped put us on the map and has now given us confidence to explore other ideas and plans.

Steamtown Heritage Rail Centre was inducted into the Hall of Fame at a Regional Awards Night. We now have 3 awarded glass Apples. Much coveted in tourism circles and highly prized by Council and SHRC. The Centre is having a wonderful run with visitors to the site increasing over predictions, thereby providing financial relief to the costly undertaking which provides a wonderful drawcard for the touring public.

Work on Flood Mitigation continues with extra staff being hired and machinery purchased to complete the repair of the damage done in two floods some years ago. As well as the flood programme, normal patrol grading, re-sheeting and redesign of roads and footpaths continues. Parks and gardens and cemeteries and town entrances take up a lot of time and the largest portion of our small budget. We are also responsible for the little township of Yongala and the settlement of Oodlawirra and these coupled with the annual tasks and our Green Slip system occupy much of our outdoor depot staff time and expertise. It is an ongoing battle to complete any proposed yearly work schedule.

The Rural Transaction Centre (RTC) and library staff work in isolation and do it very well. All staff can be relied upon to complete their work and maintain the satisfaction of their customer base. The library has changed systems and is now linked to the entire State System which means that books can be borrowed from all over the State and returned at any participating library. The RTC will increase its' service offering and clients and customers will be able to request and do more things within Peterborough – thereby negating the need to travel to other towns to complete their business in a lot of instances.

Our budget process is long and involved and I thank our CEO and Finance Officer (Nadene Whittenbury) for their expertise in preparing the annual budget papers and leading us through the minefield of finance on an annual and on-going basis. We have changed Auditors this year under Government requirements and are now getting used to the changed/new requirements whilst maintaining the budget lines set at our budget meetings. Another of life's challenges in Local Government.

The biggest project we have undertaken for many years is now within reach. We have been fortunate to have received \$8.6million from the Federal Government with the assistance of our Federal Member for Grey, Rowan Ramsey, for the installation of the proposed \$18 million CWMS – Community Waste Water Management System. With further funding assistance from the State Government and Local Government of \$2.5million and borrowings by the DCP of \$6.5million for a 20-year loan from the LGFA, we hope to be able to commence the scheme once all the pieces of the large jigsaw are in place.

This will be a wonderful lift to the positioning of Peterborough – from a health point of view, from an investment point of view and from a short-term provision of some employment and extra dollars into the economy point of view. Engineers and Contract Managers are on site looking at the fine tuning that needs to happen before the final costings and facts are put before the Ratepayers.

The NBN Rollout is nearing completion in the town and it is hoped that this will assist businesses, students and individual ratepayers and residents with their communication.

The Peterborough History Group have had a very successful year and visitor numbers are increasing to the Times Print Shop and the wonderful displays upstairs in our YMCA. Individual rooms are set aside for memorabilia collections that tell the story of Peterborough and District in a wonderful way. Collections from two families will soon be on display telling the Railway story in pictures and detailing the lives of a prominent land owning family. It is all a work in progress and enhances the tourism experience for groups or individuals. Research on family histories and the recording of all the work undertaken in the former Times Newspaper Print Shop by volunteers make this a drawcard for anyone researching or curious about our past. Well done to the small but eminently capable band of volunteers at the Peterborough History Group.





I mention with considerable pride the number of individuals and groups who volunteer time, expertise, finance and interest into the community. The service clubs of Rotary and Lions, the Hospital Auxiliary, the Informer Newspaper, the History Group, the Ambulance Attendants, Sing Australia, Sporting Groups, Sporting Complex, Youth Centre, Meals on Wheels, Red Cross et al. All are to be commended for their interest and input into the community and South Australia.

As a Council, we try to do the work that we are elected and employed for. Our residents and ratepayers are continuing to engage with us – whether it be in agreeance or in protest – they have their say and keep us on the straight and narrow. It is comforting to know that we are doing the right things most of the time in the eyes of the people who have elected us to run the business of the District Council of Peterborough.



Ruth Whittle OAM
Mayor
District Council Peterborough





REPORT FROM THE CHIEF EXECUTIVE OFFICER : 2015/2016 :

What an exciting and hectic year this has been. The amount of positive feedback Council is receiving in terms of improvements to infrastructure and services provided to the community is outstanding.

The input from staff towards creating a positive environment within the community is exemplary.

There has been a couple of staff changes with Byron King and Christopher Rugg leaving. Anthony Casey has been elevated to the position of Depot Supervisor – congratulations!

Improvements to Council's infrastructure continues, with district roads being resheeted at a cost of \$400,000. Don Fergusson Drive has been completed. Approval has been given for the undergrounding of powerlines in the Main Street between Meadows Street and High Street at a cost of \$902,000 with work commencing in October 2016. Grant funding has been approved for the upgrades to shop fronts and the construction of protuberances for the amount of \$348,000. The total cost of these works will be in the order of \$1.25 million.

Council has applied for, and been successful, in gaining a grant of \$8.6 million from the Federal Government for the construction of a Community Waste Water Management System in Peterborough. It is anticipated that construction will commence in 2017.

Tourism still plays a significant role within the community. The establishment of an RV Park to cater for the tourist who would otherwise 'drive thru' the town, so with this coupled with the work done by our tourism Manager has led to further increases in visitor numbers, to our town. It is estimated that approximately \$3 million has been injected into the local community this year. My thanks and appreciation goes to the Tourism Manager and the staff at Steamtown and the Visitor Information Centre – well done!

In November 2015 Council was awarded first place in the South Australian Tourism Awards in the category of Destination Marketing. This was a huge achievement for Peterborough and one that will serve us well moving forward with Tourism in Peterborough.

Unfortunately, the Federal Government continues to not recognise the supplementary road funding that was cut from the Financial Assistance Grant 2 years ago. This still has a severe impact on Council's ability to improve roads and Council has not been able to make up this shortfall through increased rates.

Council continues to invest in Shared Services with other Councils; Mount Remarkable, Northern Areas, Orroroo Carrieton, Flinders Ranges and Port Pirie. Some of the services are:

1. Flinders Regional Development Assessment Panel
2. Environmental Health Officer
3. Northern Passenger Transport Network
4. The StarClub Officer
5. Shared Auditor
6. Shared Independent Member of the Audit Committee
7. OPAL

The Central Local Government Region is made up of 15 Councils of which Peterborough is one. These Councils have been working towards inception of a procurement system that will allow bulk purchasing through which significant savings can be achieved. This should be implemented during the 2016/17 year.

I would like to thank the staff for all of their hard work during the year, and to the Elected Members who have been helpful during the year, assisting us with achieving our objectives.



Peter McGuinness, Chief Executive Officer





REPORT OF FINANCE AND ADMINISTRATION : 2015/2016 :

The Financial Statements for the District Council of Peterborough for the 2015/16 financial year were adopted by Council at the meeting held on the 21st November 2016. That document forms part of this Annual Report.

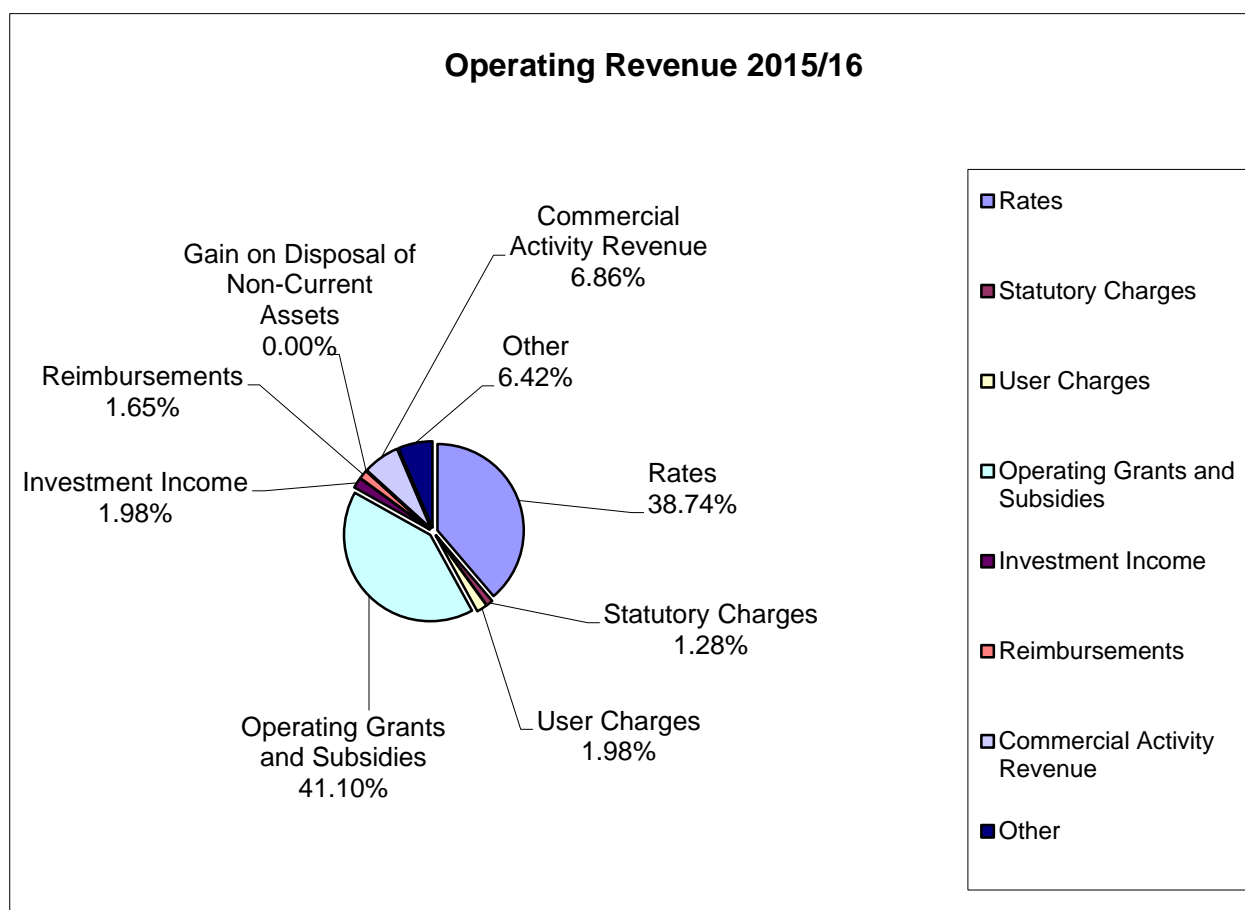
A net deficit of \$1,080,454 has resulted this year, a decrease against the surplus in 2014/15 due partly to Financial Assistance Grants received in advance \$808,789 in 2014/15. A significant shortfall in our cash management to cover depreciation exists and therefore hampering our ability to replace or maintain assets.

Council set the rates, the result being the income derived was an increase of 4.00% 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 \$358,649 with no disposals.

Work has continued throughout the year on repairing the district roads with the Flood Money received. The funds are currently invested with the Local Government Finance Authority with a balance of \$1,698,879.

Investment holdings decreased to \$3,912,200 as at 30th June 2016, a decrease over last year of \$539,676. Council has spent its grant funds for Don Ferguson Drive, and Flood Damage Repairs.

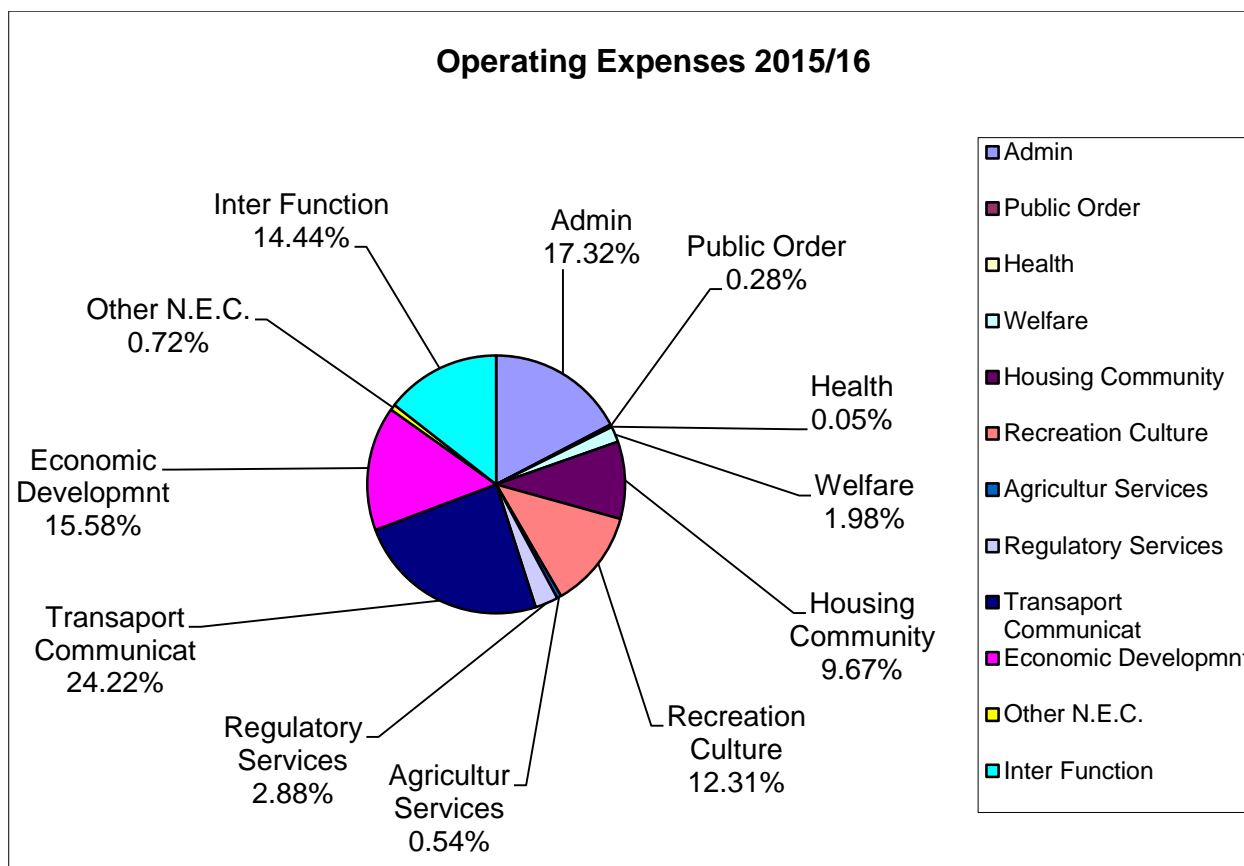
The following graph summarises the Operating Revenue for 2015/16:



From the above graph it can be seen that Council relies on both State and Federal funding, with council rates only contributing 38.74% to total revenue.



The following graph summarises the Operating Expenditure for 2015/16.



The above graph shows the services on which Council spends the revenue it receives. Council rates equate to only 30.14% of the total expenditure.



Peter McGuinness
Chief Executive Officer

Finance





REPORT FROM THE WORKS MANAGER : 2015/2016 :

There have been many small projects and routine maintenance works performed on an ongoing basis, which have not been mentioned in this report as they are too numerous to mention in detail, but the works 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 and isn't always easy, but everyone has worked hard to achieve our outcomes. I would like to pass on my thanks to the Depot Supervisor, Depot Staff, the CEO, Town Hall staff, the Mayor and all the other Elected Members.

Below I make reference to the more significant works achieved in this financial year.

PETERBOROUGH AIRSTRIP (HELIPAD)

Council received grant funding to construct a sealed Helipad at the Peterborough Airstrip, which included sealed road access to the Helipad.

These improvements have enabled the ambulance crew to access the MAC Rescue Helicopter in all weather conditions without fear of muddy conditions or excessive dust, as well as providing a quality surface to wheel a stretcher on when traversing between the ambulance and the helicopter.

The RFDS also receive the same benefits as the MAC Rescue Helicopter with the exception that they cannot land in wet conditions.

A sealed car parking area outside airstrip grounds has also been constructed for the benefit of any person visiting the airstrip.

PARKS / RESERVES / RECREATION

Don Ferguson Drive Upgrade

The formally unsealed walking trail, which commences behind the Post Office and runs the full length of Don Ferguson Drive to the East side of the Skate Park, has been bitumised as part of the Don Ferguson Drive upgrade, greatly improving the amenity of the area.

Solar Lighting has also been installed along the full length of the newly bitumised walkway, which greatly enhances the experience and safety of the walking trail at night.

Other works included in the upgrade have been further extensions to the garden area, additional paving from the Town Square (long steps by the train) to the roadside, paving from the gym equipment westwards towards the Skate Park.

Four new table settings have been installed on the western end of Don Ferguson Drive, two on the newly paved areas and two under the shade of the trees in between the town bore shed and the RV toilet block.

Also for the benefit of the people walking dogs we have installed a number of dog poo bag dispensers along the walking trail.

Safety railing at the Papier Mache shed and the railway viewing platform has been installed.

RV PARK (Recreational Vehicle Park)

Council's commitment to encouraging Tourism, which in turn brings money into the town and supports local business, has resulted in an area being set aside as an RV Park. This park has been created within the existing Reservoir Park Reserve (Telford Ave) on the western side of the Nissen Hut by fencing off a designated area.

The RV Park has proven to be extremely popular with tourists and is being very well patronised on a nightly basis. Since its creation there has been virtually no RV parking on Tripney Ave; they now use the RV Park.



**PETERBOROUGH WEST FOOTPATH UPGRADE**

An extensive program of supplying crusher dust to footpaths in Peterborough West has been ongoing with the following footpaths being completed in the 15-16 financial year.:

Cyanide St	-	Railway Terrace to Threadgold St
Railway Terrace	-	Cyanide St to Hawthorne St
Threadgold St	-	Cyanide St to Clair St
Hill St		George St to Hawthorne St
Wright St		George St to Clair St
Queen St		George St to Clair St
Clair St		Hill St to Threadgold St (West side only)

These footpath works have greatly improved footpaths in that area as well as improving the amenity of the area. Further works will continue in the 16-17 financial year.

WASTE MANAGEMENT**Free Dump Days**

Council in its ongoing commitment to improving the amenity of the town has provided four free dump days this financial year which has been well patronised resulting in much rubbish from within the town being disposed of free of cost to residential properties.

Pensioner Pickup

In addition to the four free dump days Council has again provided its free Pensioner Pickup Service in October which has also been well received and appreciated.

DISTRICT ROADS

Flood Damage Rehabilitation Funds from the Dec 2010/Feb 2011 have been utilised to re-sheet the following roads listed below. The Works Department completed 60.766km of re-sheeting during this financial year as well as approx. 159km of Patrol Grading and minor flood damage repairs .

ROADS RE-SHEETED

ROAD NAME	FROM	TO		KM
Dawson Rd	Petersburg Rd	To	Dawson	24.45
Crocker Rd	Numerous sections	To		4.3
Orroroo/Paratoo Rd	Western End	To	6950m East	6.95
Orroroo/Paratoo Rd	Cavenagh Rd Intersection			.02
Parnaroo Rd	Numerous sections		Totalling 7050m	7.05
Erskine Rd	Numerous sections		Totalling 3300m	3.3
Gumbowie Rd	Cleary Rd	To	Lancelot Rd	6.848
Lancelot Rd	Gumbowie Rd	To	450m east	.45
Hodby Rd	Cradock Rd	To	Symes Rd	.512
Gumbowie Rd	Numerous sections		Totalling 300m	.6
Fuller Rd	Beniah Rd	To	Hodby Rd	.18
Symes Rd	Resheet hump			.05
Rosa Tce	Yongala Dump	To	O'Dea Rd	.77
First St	Main St	To	Beniah Rd	.23
Steer Rd	Beniah Rd	To	Park St	.484
Harding St	Erskine Rd	To	RPA41	.27
Park St	Belalie Rd	To	Steer Rd	.35
Sth Tce/East Tce Corner				.05
O'Dea Rd	Rail Xing	To	Pine Drive Rd	2.912
Tarcowie Rd	Erskine Rd intersection			.06
Shields Rd	Belalie Rd	To	RPA137	.93
TOTAL KMS				60.766





FLOOD MITIGATION WORKS				
Gumbowie Rd	Cleary Rd	To	Lancelot Rd	
The floodway at Gumbowie Creek has been significantly upgraded with a concreted road crossing that is now able to withstand flood events without the roadway being destroyed.				
Water Diversion Humps				
Numerous water diversion humps over the length of many of the sheeted roads mentioned above have been increased in height or had additional humps constructed to reduce possible flood damage in the future.				

ROADS PATROL GRADED

ROAD	TOTAL LENGTH KM	WORK
Chapman	10.930	Patrol graded
Yatina	7.950	Patrol grade from Yatina Rd bitumen to boundary
Tarcowie	2.969	Patrol grade except for current resheeting (2310m)
Hope Gully	3.000	Patrol graded
Woodcutters	6.078	Patrol graded
Bunerong	13.634	Patrol graded
Yatina	7.970	Patrol graded
Depot	6.212	Patrol grade Philps to Black Rock Rd
Sambell	7.21	Patrol grade except for bitumen (200m approx)
Paradise	2.030	Patrol grade from creek to Willangi
Whites Well	2.000	Patrol graded washouts
Garden Rd	3.0	Patrol Grade Yatina Rd/Garden Rd intersection
Yatina	6.0	Patrol Grade Spud McKays windmill area
Yatina	15.0	Patrol grade Yatina/Erskine Rd intersection
Dawson Gorge	2.500	Patrol grade through Dawson Gorge/creeks
Symes	.630	Patrol graded
McCormick	1.915	Patrol graded
Bradtke	.030	Fill large pothole and grade
Shields	1.400	Patrol Grade RPA 137 Shields Rd to Bradtke Rd
McLeod	3.064	Patrol grade from Rail Crossing to Lancelot Rd
Dawson Gorge	13.500	Patrol grade from Dawson to Oodla Wirra
Fairview	6.172	Patrol grade from Cleary Rd to Barrier Hwy
Mahoney	2.876	Patrol grade from Cleary Rd to Mahoney Rd intersection
West Terrace	1.562	Patrol grade from Petersburg Rd to Birmingham Rd
Woods	.900	Patrol grade between Cleary Rd and Goyder district line
Stock Route Rd	3.080	Patrol graded from Parnaroo Rd to 3.08km
Booborowie Rd	11.500	Patrol Graded from end of bitumen to Council Boundary
Black Rock Rd	10.151	Patrol Graded from Concil boundary to Erskine Rd
Earle Rd	3.866	Patrol Graded from Odea Rd to Yongala Vale Rd
Chomel St	4.27	Patrol Graded from Rail Crossing to O'Dea Rd
Erskine Rd	4.170	Patrol graded from Symes Rd to RPA 417



Tarcowie Rd	5.270	Patrol Graded from Beniah Rd to Giddings Rd
Erskine Rd	5.200	Patrol Graded from Black Rock Rd to 600m north of Philps
McCoys Well	3.190	Patrol grade McCoys Well from 0 to RPA 319
Orroroo/Paratoo RD	14.214	Patrol Grade from McCoys well to Barrier highway
Earle Rd	.150	Patrol grade 150m from Cleary Rd down Earle Rd
Total Length Graded	159.501KM	



Chris Thomson
Works Manager



REPORT FROM THE TOURISM MANAGER : 2015/2016
inc STEAMTOWN HERITAGE RAIL CENTRE & VISITOR INFORMATION CENTRE :

SHRC Management Committee

The SHRC Management Committee is a Section 41 Committee of Council and meets monthly on the 2nd Monday of each month at Steamtown in the boardroom.

Voting members

Ruth Whittle	(Mayor District Council of Peterborough)	Chair
Peter McGuinness	(CEO District Council of Peterborough)	Council Representative
Frank Hardbottle	(Councillor District Council of Peterborough)	Council Representative
Jason Schell		Community Representative
John Schell		Community Representative
Pat Kent		Manager - SHRC
Kelly Anne Saffin		Mid-North/Yorke RDA

Marketing Strategy 2015/16

The marketing strategy for 2015/16 has been the “Stay an Extra Day” campaign with a particular focus on the new tourism trail which we developed in 2014/15 – The Broken Hill to Port Pirie Heritage Rail Trail.



THE HERITAGE RAIL TRAIL – WINNER OF THE DESTINATION MARKETING CATEGORY AT THE 2015 SOUTH AUSTRALIAN TOURISM AWARDS



A string of tiny towns along the remote Barrier Highway were the big winners when the judging panel of the South Australian Tourism Awards gave the 2015 Destination Marketing Award to Peterborough District Council.

Peterborough Tourism banded together with 13 small communities stretching 400km from Broken Hill to Port Pirie. Realising they were in possession of one of Australia's greatest industrial stories, they formed the Heritage Rail Trail, which effectively told how a little 3'6" railway line took a vast mineral resource to the world.

"Today, that railway line is disused and many of these communities are struggling," said Mayor Ruth Whittle of Peterborough. "But the part they played in transforming Australia from an agricultural economy to an industrial economy was profound."

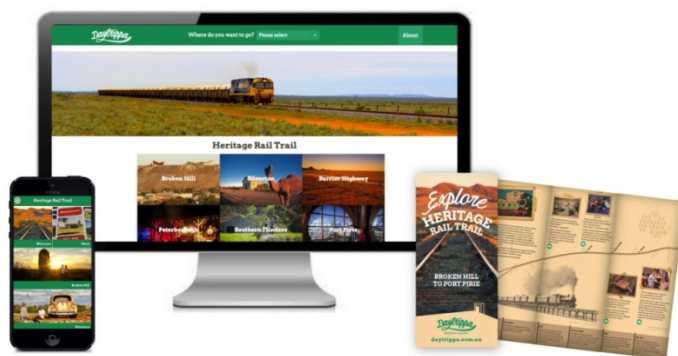
"We had this fantastic story. We just needed to find a compelling way to tell it."

When the Heritage Rail Trail was launched in January 2015, Peterborough District Council set a simple goal: to get travellers on the Barrier Highway to stop and spend a little time in these towns.

The Council also set targets by which they could measure the Trail's success, including annual visitation to Peterborough's Steamtown Heritage Rail Centre.

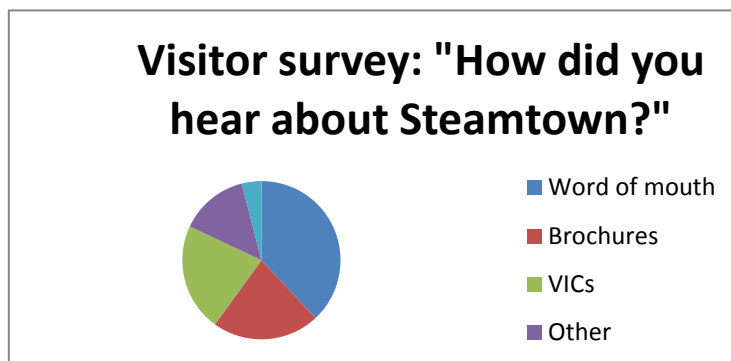
"I hope we proved that size is no barrier to success," said Mayor Whittle. "This award clearly shows that small Councils can think just as big as anybody."

Stretching 395km from the 'Silver City' in NSW to the gulf waters of South Australia, the Heritage Rail Trail celebrates the rich history of the once thriving railway towns.



Consumer Surveys at Steamtown.

This year our customer satisfaction survey's continue to reinforce the value of our current marketing activities including the production of a top-quality brochure, familiarisation trips for Visitor Information Centre (VIC) staff, and promoting genuine country experiences that visitors will talk about with other tourists on the Grey Nomad trail. As the graph below shows, VICs, brochures and word of mouth accounted for more than 80% of visits to Steamtown and Peterborough during 2015/16.



Source: Steamtown visitor survey, 2015/16



Sales at Steamtown

In 2015/16, the Steamtown Heritage Rail Centre again recorded an increase in total sales, beating 2014/15, which in itself was a record-breaking year – a fantastic achievement two years in a row. This has been followed with September 2016 just experiencing the highest sales month in Steamtown's history; a great way to kick off the next financial year.

Peterborough Visitor Information Official Accreditation

In 2016 Peterborough Tourism achieved accreditation from The South Australian Tourism Commission and The South Australian Tourism Industry Council to become an official Yellow *i* Visitor Information Centre. This is an important milestone for both Peterborough Tourism and Steamtown Heritage Rail Centre (SHRC). The new official VIC will be located at SHRC.



TripAdvisor Ratings and Comments

In May 2016, the Steamtown Heritage Rail Centre was again awarded a 2016 TripAdvisor Certificate of Excellence, for a second year. To qualify, a business must maintain an overall TripAdvisor bubble rating of at least four out of five and have a minimum number of reviews. We closely follow reviews on the site and act on any advice and comments.

Channel 7 News Segment & Radio Interviews

Steamtown and The Heritage Rail Trail were the focus of a 3 minute segment on Channels 7's Adelaide News. Renowned television tourism presenter, Ron Kandelaars, featured both Peterborough tourism experiences on his programme *SA Secrets*.

The Heritage Rail Trail and Peterborough Tourism have also been the subjects of interviews on shows by the ABC and other local radio stations over the year about projects and experiences in Peterborough.



Pat Kent

Peterborough Tourism Manager / SHRC Manager





REPORT FROM THE GENERAL INSPECTOR/FIRE PREVENTION OFFICER : 2015/2016 :

Fire Prevention

The Fire Danger Season was a busy time once again, with above average rainfall in the district. Fine fuel loads (grass) were above average due to the increased moisture levels in the soil. This in turn increased the fire threat potential in the district.

This season there were one hundred and twenty (120) Fire Compliance reminders sent to property owners in the district. General notices are also placed in two local newspapers giving property owners ample notice and time to comply with their obligations under the Fire and Emergency Services Act. Only five (5) properties required 105F Fire and Emergency Services Notices issued. Most residents are becoming more aware of their requirements as per the Act and Regulations and the impact of fire to persons and property.

Council's own Fire Prevention program is working well, with good ongoing co-operation from all departments of Council; Council is setting a great standard and example for private land owners to emulate, and at the same time ensuring the spread of fire is at a low risk within the townships.

D.P.T.I Properties and Land

Council has again secured the contract to slash and clear fine fuels from land owned and under the care and responsibility of D.P.T.I within the township of Peterborough. This contract is mutually beneficial to both Council and D.P.T.I. and again adds another layer of Bush Fire Prevention.

General Compliance

Council's approach to general compliance has remained unchanged; we have experienced positive results due to a consistent message to the community. There have been a number of added responsibilities due to the addition of the Local Nuisance and Litter Control Act 2016 and Environmental Protection Air Quality Policy.

Dog and Cat Management

This is another Act and Regulation which is being reviewed and re-written, the changes being proposed will have implications to Council's responsibilities, obligations and resources. Dog registrations are up and complaints of non-compliance are down, also the number of dogs being impounded has been reduced this year.

Core Responsibilities

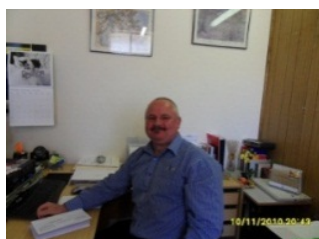
- * Fire Prevention
- * Legislative Compliance

Delegations/Authorisations

- * Local Government Act 1999
- * Environmental Protection Act 1993
- * Road Traffic Act 1961
- * Fire and Emergency Services Act 2005
- * Dog and Cat Management Act 1995
- * Impounding Act 1920

Council representation/Committees

- * Bushfire Management Committee Flinders/Mid North/Yorke
- * Northern Areas Inspectors Meeting
- * Health Wellbeing Committee
- * Authorised Persons Association



*Lawrence Heath
Development and Regulatory Services Officer*





REPORT FROM THE ENVIRONMENTAL HEALTH OFFICER : 2015/2016 :

ENVIRONMENTAL HEALTH ISSUES AND FOOD PREMISE ASSESSMENTS

Routine Assessments of the following premises were undertaken during the year:

1. Food Business Notification	Four (4)
2. B&B, Hostels, Hotels residential/commercial	Fifteen (15)
3. Food processing and retail	Sixteen(16)
4. Public and environmental health assessments, waste control applications and assessments and communicable diseases investigations	Thirty Eight (38)
5. Legionella Auditing and DECD Assessments	Seven (7)
6. Sporting/Community facilities	Five(5)
7. Food home/mobile producers and retailers	Seven (7)
8. Food enquiries/ actions	On-going

There are continued regulatory changes throughout to Public and Environmental Health operations over the previous 12 months. Recent changes and proposed changes impacting on regulatory EH functions include:

- Public Health Act 2011 – Proposed revisions on the Public Health Act Squalor Policy currently out for consultation. SA Health has requested submissions from EHO's on the proposed amendments and I have responded accordingly.
- Food Act 2001 – Implementation of the new Food Risk Classification Scheme Commenced July 2014 and completed end of 2015.
- Food Act 2001 – Food Safety Rating Scheme. The Food Safety Rating Scheme was introduced into South Australia in 2014 as a trial scheme and administered by SA Health. Due to the success of the trial scheme and positive response received by SA Health from Food Businesses the Scheme was now been rolled-out across SA during 2015.
Joining the Scheme is currently voluntary and to date sixteen (16) Councils have signed up to the Scheme. There is currently no requirement for either Council or Food Businesses to join the Scheme. I have been working with Food Business Operators over the previous 12 months to determine the level of interest and provide details to food operators on the processes and documentation involved in joining and managing the Food Safety Rating Scheme.
- Legislation relating to smoking at outside dining areas was introduced during 2016.
- The Safe Drinking Water Act continues to be audited and remains additional to the Food Act legislation.
- Re-introduction by SA Health of the requirement to submit an annual performance report on functions contained in The Public Health 2011. Annual reporting and submission of registers is now required by SA Health.
- Revised *Legionella* Guidelines have now been implemented with further changes proposed to the 2013 Public Health Regulations.
- The Water Industry Regulations have been implemented and the Office of Technical Regulators will be introducing new Electronic Data Systems to better regulate and manage Certificate of Compliance reports from licensed trades including plumbers.
- Local Nuisance and Litter Control Bill 2015 introduced in 2016.
- Public Health Act 2011, Section 51 Public Health Planning. Council submissions due 2016 for reporting on the state of Regional Public Health Plan to SA Health due in 2016.

2015/2016 has seen increasing demand for Food Safety Auditing in the Mid North region. I continue to engage with on-going professional development through SA Health training and yearly Auditor Certification provided by SAI Global (RABQSA). Certification was completed in 2015. Yearly registration requirements are managed and renewed through SA Health for Auditing within the Mid North region.

I continue to undertake public health audits of aged care/childcare facilities and other registered businesses operating under the Food Safety Program (FSP) and Food Standard 3.3.1.





The South Australian Public Health Act 2011

The Annual Environmental Health Report for submission to SA Health has been completed. The reporting period being 1 July 2015 to 30 June 2016. Public Health Registers continue to be maintained and updated for wastewater applications, *legionella* registered systems and public swimming pool facilities. The information is a requirement under the South Australian Public Health Act 2011 (the Act). The information gathered is provided for The Minister for Health and Ageing and the Chief Public Health Officer and their delegates for performance of functions under various sections of the Act.

Food Standards for Business Operators

Food Safety Information Sessions – were held in August 2016 at The Sports Oval in Melrose. The sessions were attended by food industry businesses and food handlers from Peterborough and surrounding areas. Sessions continue to be well received by attendees and provide food handlers and food business operators' legislative and technical understanding in safe food handling provision and food safety responsibilities.

Mark Smith

Environmental Health Officer



REPORT FROM THE DEVELOPMENT OFFICER : 2015/2016 :

In 2015 – 2016 financial year there was a total of 24 development applications processed, with a total monetary value of \$1,486,527.00

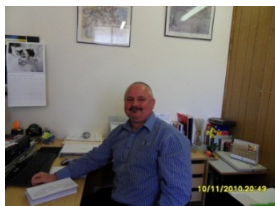
These included:-

- Outbuildings (18) eighteen
- Solar Panel (2) two
- Commercial (2) two
- Additions Extensions (1) one
- Change of use (1) one

Development numbers are down on the previous two (2) years which is not surprising due to the economic environment we are experiencing.

Building Fire Safety inspections are continuing six monthly with all major accommodation establishments being visited and inspected. The focus has been on industry and bed and breakfast businesses. All business and property owners are working towards industry standards and compliance in a professional manner.

Some of the changes to the Development Act and Regulations in draft form have been released by the State Government. Much of the proposed changes have not been released as yet.



Lawrence Heath
Development & Regulatory Services Officer



REPORT FROM THE WHS RISK COORDINATOR : 2015/2016 :

Council's goal is to continue with a safe, happy and productive team in the workplace environment as well as safe visitors and locals in our town. We have had a successful year with only one serious incident to our work force. Other than this incident the good news is that people have gone home safely from work without anyone suffering a serious injury. Unfortunately we still have minor incidents arise as people go about their jobs with Council or visit our facilities but very few of these are personal injuries and mostly are reports relating to incidents.

Council's Policies and Procedures are available on the Council website and anyone interested may view all of these on our website.

There is always a lot involved in the preparation and review of any policy or procedure as after it has been prepared or reviewed they are sent to relative staff for a consultation process. During this process staff and others are invited to make recommendations for changes to policies and these changes are taken on-board and where possible integrated into them.

A risk audit was carried out by the Local Government Mutual Liability scheme in May and we fared very well. This audit is aimed at our risk and property issues. We were also audited by The Local Government Workers Compensation Scheme in December on the behalf of S.A. Return to Work (formally Work Cover). In our continuous improvement goal we are regularly reviewing our performance which can be measured against the Government's standards.



David Baldry
WHS Risk Coordinator

**REPORT FROM THE RURAL TRANSACTION CENTRE : 2015/2016 :****OPENING HOURS: 9am to 1.00pm / 2.00pm to 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 nearest Customer Service Centre being Port Pirie.

Centrelink (now part of the Department of Human Services, which includes Medicare, and Child Support) 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. As well as being a Rural Agent for Service SA we are soon to become a Service Agent also, which will include a wide range of extra services we can offer the general public.

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

Laminating

Binding

Offices for hire

Statistics from 1st July 2015 until 30th June 2016 include :-

NAME OF ORGANISATION	ANNUAL TRANSACTIONS	Average Number. of TRANSACTIONS per WEEK
Centrelink	2,936	57.6
Service SA - Non - Financial	485	9.5
Service SA - Financial	42	0.8
PhotoCopying, Faxing, Typing, Laminating, Binding etc	351	6.9
Hire Of Office	344	6.7
The Informer	318	6.2



Di Harris, Manager Rural Transaction Centre (R.T.C)





REPORT FROM PETERBOROUGH SCHOOL AND COMMUNITY LIBRARY : 2015/2016 :

Peterborough has a unique facility where the Local Council Community Library and Peterborough High School Library share a building and resources but run autonomous units ie: staff, budget and equipment :

Council Staff: Christine Malycha Senior Library Assistant – level 3
Michelle Travaille Library Assistant – level 2

Relief Staff: Andrea Doolan Library Assistant – level 1
Emma Limburg Library Assistant – level 1

One Card Network: Peterborough through the “One Card” network is connected to all other Public Libraries throughout South Australia. One local borrowing card gives patrons access to all loanable resources throughout the network (over 130 libraries) either in person at libraries or via the Internet.

Registered users: 761 patrons

Loans for 2015–2016: 25,380 items *{equates to 33.35 loans per patron per year}*

Services:

Books for all ages	Free internet usage + Wireless Network
Children’s zone area	Computer facilities
Large print books	Magazines – Newspapers
Audio Book services	Local history & reference collections
Compact discs - DVD’s	Interlibrary loans
EBooks	

Ongoing programmes: Children’s book week promotions: Involving all surrounding schools
Premier’s reading challenge literacy support
School holiday activities for 4-12 year olds
Family history research
Short term house bound services

Significant event: The Peterborough School and Community Library hosted renowned Australian Author Meredith Appleyard who gave a wonderful presentation to the library community whilst promoting who latest novel.

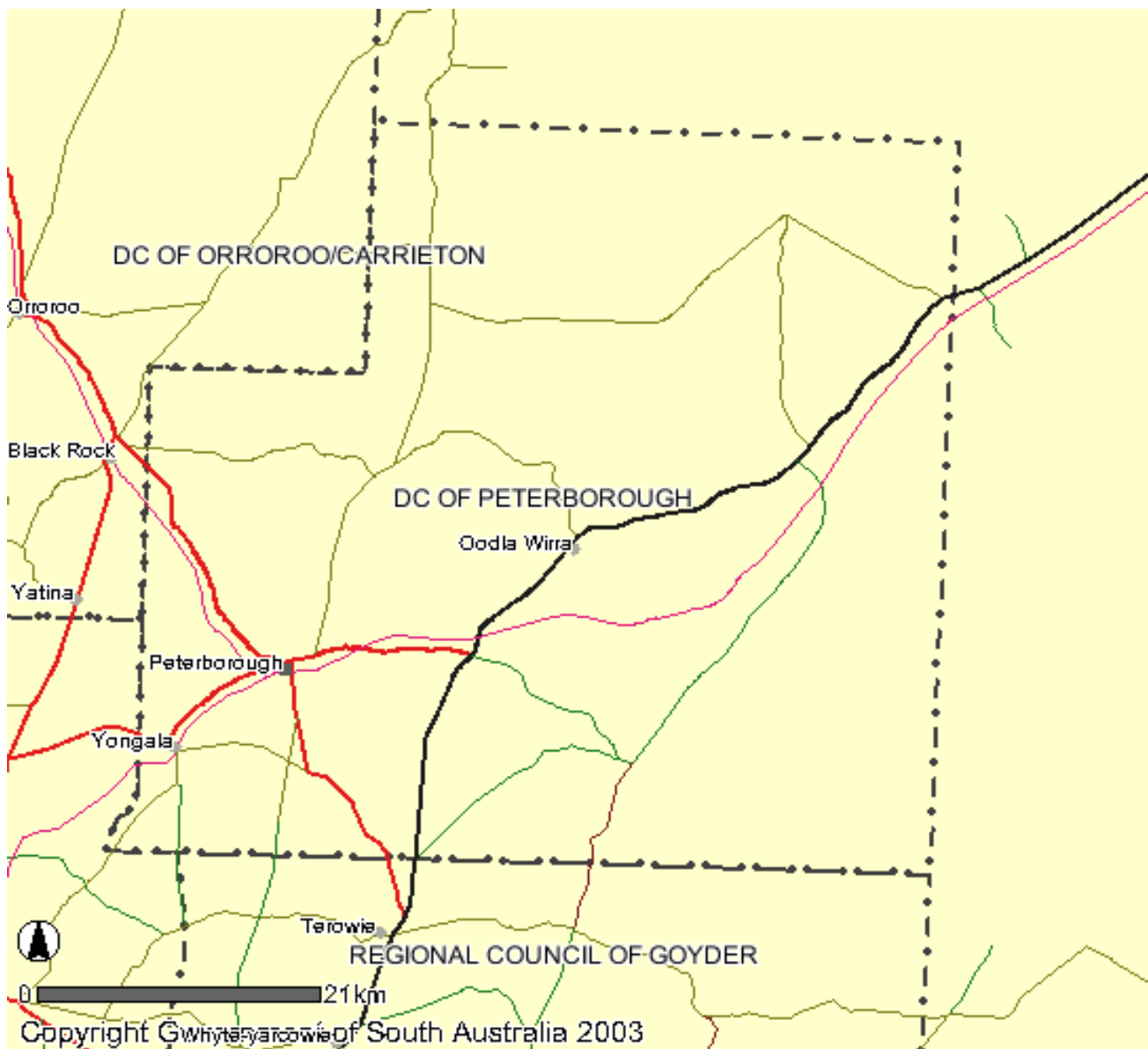


*Michelle Travaille & Christine Malycha
School and Community Library*





GEOGRAPHICS:



DISTRICT COUNCIL of PETERBOROUGH

Area :	2,995 km ²
Population :	1731
Sealed Roads :	43.40 kms
Unsealed Roads :	1274 kms
Number of Assessments :	1,940
Number of Billable Assessments:	1,650
Rate Revenue :	\$1,494,249
Income :	\$3,794,422
Total Expenditure :	\$4,881,133

Local Industries : Primary production, Abattoir, Engineering, Tourism





COUNCIL MEMBERS:

<u>Mayor:</u>	(Mrs) I.R. (Ruth) Whittle O.A.M.	1983 - 1991 → as Mayor
<u>Deputy Mayor:</u>	Cr F Hardbottle	2010 - Nov 2014 → as Deputy Mayor
<u>Councillors:</u>	(No Wards)	Eight (8) elected members

CONTACT DETAILS

**Her Worship the Mayor
Ruth WHITTLE OAM**
54 Main Street, PETERBOROUGH, SA 5422
Phone: 8651 2318 Mobile: 0438 891 903
e-mail: mavor@peterborough.sa.gov.au

Council Members (November 2014 – Current)

Cassandra CHAMBERS
41 Victoria Street
PETERBOROUGH SA 5422
PH : 8651 3051, Mob : 0417 605 010
email : cr.chambers@peterborough.sa.gov.au

Leon Ernest CLAPP
PO Box 79
PETERBOROUGH SA 5422
PH: 8651 2517, Mob : 0427 182 559
email : cr.clapp@peterborough.sa.gov.au

Francis William HARDBOTTLE
PO Box 115
PETERBOROUGH SA 5422
PH : 8651 2301, Mob : 0407 943 428
email : cr.hardbottle@peterborough.sa.gov.au

Scott Edward MESECKE
2 Grove Street
PETERBOROUGH SA 5422
PH : 8651 2765, Mob : 0438 846 703
Email : cr.mesecke@peterborough.sa.gov.au

Kim William MILLER
PO Box 27
YONGALA SA 5493
PH : 8651 4218, Mob : 0428 514 218
email : cr.miller@peterborough.sa.gov.au

Graham John MERCER
PO Box 5
YONGALA SA 5493
PH : 8651 2165, Mob : 0429 911 824
Email : cr.mercer@peterborough.sa.gov.au

Michael BURFORD
PO Box 3
PETERBOROUGH SA 5422
PH: 8650 3286
email : cr.burford@peterborough.sa.gov.au

Leanne Joy DRAPER
9 Kitchener Street
PETERBOROUGH SA 5422
Mob : 0439 876 295
email : cr.draper@peterborough.sa.gov.au





STAFF OF COUNCIL : 2015 - 2016

Chief Executive Officer:

Peter McGuinness

Postal Address:

PO Box 121
PETERBOROUGH SA 5422

Telephone Number:

(08) 8651 3566

Facsimile Number:

(08) 8651 3066

E-mail:

council@peterborough.sa.gov.au

Auditor:

Galpins Accountants, Auditors and Business Consultants

Bankers:

Bank SA

Local Government Finance Authority (LGFA) – Investments

Insurance Brokers:

Local Government Risk Services

Administrative Staff

Peter McGuinness	Chief Executive Officer
Peter McGuinness	Finance Manager
Nadene Whittenbury	Finance Officer/Rates/Creditors/Expiations
Chris Thomson	Works Manager
Lyne Kelly	Payroll Officer/Debtors
Mary Martin/Sue Pickering	Reception/Debtors/Development, Cemetery & Dog Registers
Sally Kent	Council support/Executive Assistant
Lawrence Heath	Development & Regulatory Services Officer
Mark Smith	Environmental Health
David Baldry	WHS Risk Coordinator
Pat Kent	Peterborough Tourism & Steamtown Manager

Works Staff

Anthony Casey - Depot Supervisor	
Russell Hill	Robert Lillywhite
Greg Madex	Andrew Willmott
Troy Madex	Alistair McLatchie
Gary Dohnt	Alan Gray
Bruce Woods	Gary Lock
Ben Limburg	Anthony Flavel
Robin Mangnoson	





Peterborough and Community Library

Christine Malycha	Library Assistant
Michelle Travaille	Library Assistant
Andrea Doolan	Relief Library Assistant
Emma Limburg	Relief Library Assistant

Human Services Department

Dianne Harris	Rural Transaction Centre Manager
Sue Pickering	Relief R.T.C.

Peterborough Swimming Pool

Jackie & Drew Boyd	Supervisors
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Peterborough Town Hall

Greg Duggan	Caretaker
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MAIN STREET ROTUNDA





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. Steamtown Management Committee, Peterborough Tourism Management Committee, Peterborough & Districts Cemeteries Advisory Committee, Audit Committee, Christmas Pageant 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 website: 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 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.

Auditor Independence

Council’s Auditor is Galpins Accountants, Auditors and Business Consultants. They were appointed in 2016 for a 3 year term contract, with an annual remuneration of \$19,900.



**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>
Conflict of Interest	21/03/16	24/16
Elected Members – Records Management	16/11/15	144/15
Informal Gatherings	21/3/16	23/16
Re-employment Procedure (Work Injury)	15/02/16	10/16
Suitable Employment Procedure	15/02/16	10/16
Threatening Behaviour at a Council Site	20/06/16	80/16

Services for the Community 2015 - 2016

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 – is 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.

Council representation on various organisations/committees:

Section 41 Committee	Appointee
SHRC	Mayor Whittle, Cr F Hardbottle, CEO & SHRC Manager & RDA
Audit	Mayor Whittle & Cr Hardbottle & Cr Chambers
Sports Complex	Cr Burford
Christmas Pageant	Mayor Whittle (presiding member) & 3 x Crs Mesecke, Miller & Mercer
Cemeteries Advisory	Cr Clapp & Cr Chambers & Works Manager
Tourism Management	Presiding Member, CEO & Tourism Manager





Other Committee/Organisation	Appointee / Representative
Peterborough Building Fire Safety	Council's Development Officer
Flinders Regional Development Assessment Panel	Cr F Hardbottle
State Bushfire Co-ordination	Council's Fire Prevention Officer
FMN&Y Bushfire Management Ctte	Council's Fire Prevention Officer
Local Gov Assoc of SA	Mayor Whittle, proxy Cr Hardbottle
Central Local Gov Assoc	Mayor Whittle, proxy Cr Hardbottle
Local Gov Finance Authority	Mayor Whittle
DC of Mt Rem Building, Health & Inspectorial Advisory Ctte	Cr Clapp & CEO
Peterborough Community Library	Cr Clapp & MoF&A
Peterborough High School Governing Council	Cr Draper
Northern Passenger Transport Network	Cr Hardbottle
The Informer	Mayor Whittle, Cr Mesecke, CEO, Manager of RTC
PSMH Health Promotion Ctte	Development & Regulatory Services Officer
Peterborough Community Safety Ctte	Development & Regulatory Services Officer
Peterborough Road Safety SA	Development & Regulatory Services Officer
Plant Replacement Advisory Ctte	Crs Mercer & Chambers, Works Manager, MoF&A
Town Hall Advisory Ctte	Mayor Whittle, Crs Chambers & Miller
Mid-Nth be Active Field Officer Management	CEO, Development & Regulatory Services Officer (proxy)
Australia Day Council of SA	CEO & Deputy Mayor to assist Mayor as required
Murray Darling Assoc – Reg 8	Mayor Whittle & Cr Clapp
Executive Community Action Group	Mayor Whittle
Shared Services Investigations	Mayor Whittle, proxy Cr Hardbottle
CLGR of SA – Waste Strategy Steering Ctte	CEO
Health and Wellbeing Ctte	Development & Regulatory Services Officer

TOWN HALL FUNCTION





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.

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, inc:
 - ❖ Members Code of Conduct
 - ❖ Code of Practice for Access to Meetings and Documents
 - ❖ Employees Code of Conduct
- ❖ Annual Report
- ❖ Annual Financial Statement
- ❖ Development Plan
- ❖ Development Application Register
- ❖ Assessment Book
- ❖ Register of Members Allowances and Benefits
- ❖ Register of Members Interests and Register of Officers Interests
- ❖ Register of Employee Salaries, Wages and Benefits
- ❖ Strategic Plan
- ❖ Council's By-Laws
- ❖ Register of Fees and Charges

PETERBOROUGH



**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 as required by the Local Government Act 1999 or the Local Government (Elections) Act 1999: -

Members Register of Interests
 Members Register of Allowances and Benefits
 Officers Register of Salaries
 Officer Register of Interests
 Fees and Charges
 Community Land
 Public Roads
 By-Laws

OTHER REGISTERS ALSO HELD BY COUNCIL:

Cemetery Register
 Dog Registration Register
 Mobile Garbage Bin Register
 Deeds Register
 Lease and Contracts Register
 Volunteer Register
 Assessment Book
 Development Applications Register

(c) Codes of Conduct

- Council adopted its Code of Conduct – Elected Members as required under Sections 63 of the Local Government Act, 1999 on 22nd April 2003 and was amended on 19th August 2013.
- Council adopted its Code of Conduct – Employees as required under Sections 110 of the Local Government Act, 1999 on 18th March 2013.
- Council adopted its Code of Practice – Access to Meetings, Committees and Documents as required under Section 92 of the Local Government Act, 1999 on 3rd November 2003 and was amended in December 2013.

(d) Allowances

Information on allowances paid to members of Council : -

Mayor :	(Mrs) I (Ruth) Whittle OAM	\$22,800
Deputy Mayor :	Cr Frank Hardbottle	\$ 7,125
Councillors :	Cr Leon Clapp	\$ 5,700
	Cr Michael Burford	\$ 5,700
	Cr Cassandra Chambers	\$ 5,700
	Cr Leanne Draper	\$ 5,700
	Cr Kim Miller	\$ 5,700
	Cr Scott Mesecke	\$ 5,700
	Cr Graham Mercer	\$ 5,700

(e) 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, Telephone Subsidy - \$300 per annum

Works Manager

Salary, Contract, Motor Vehicle - Business and private use



**(f) Confidential Minutes**

Council excluded the public from the meetings on five (5) occasions in 2015/2016 under section 90(2). These were as follows:

	Date	Section	Subject	Conf Doc/Report	Revoked
1.	21 Sept 15	(a)	CEO contract renewal	No	Yes
2.	19 Oct 15	(h)		Yes	No
3.	21 Mar 16	(d)		Yes	No
4.	16 May 16	(e)	Kerbside gardens	Yes	Yes
5.	16 May 16	(e)	Lease/sale of council land	Yes	Yes

Council, pursuant to section 91(7) of the Act, ordered 4 reports be kept confidential. Two (2) of these orders were revoked and two (2) remained operative during 2015/16. All previous orders have been revoked.

(g) Freedom of Information Statement

Requests for information will be considered in accordance with the Freedom of Information Act. 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. Pursuant to Section 9(1a) of the Freedom of Information Act 1991, there were two (2) applications in 2015 – 2016.

(h) Representation Quota

The last Representation Review as prescribed in Section 12(4) Local Government Act, 1999 was completed in 2009. The next Representation Review as determined by the Minister for State/Local Government Relations, as per Gazettal Notice dated 31 May 2012, page 2619, will be undertaken between October 2016 and October 2017.

- There are no wards within the District Council of Peterborough.
- The Representation Quota for this Council is 1/141 Electors : 1,270
- Councillors were elected for a four (4) year term - the next election is November 2018.

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, and the community will be advised of the opportunity to make submissions at that time.

Representation Quota Comparison :

District Council of Mount Remarkable	1 : 319 Electors	2,235
District Council of Orroroo/Carrieton	1 : 106 Electors	748
The Flinders Ranges Council	1 : 137 Electors	1,234
Northern Areas Council	1 : 387 Electors	3,489
District Council of Barunga West	1 : 223 Electors	2,012
Regional Council of Goyder	1 : 440 Electors	3,085

(Source: Local Government Assoc.of S.A.)

(i) Internal Review of Council Decision

One (1) application for review was received under Section 270 (8) of the Local Government Act, 1999.





(j) **Regional Subsidiaries**

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

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

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

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

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

Council adopted the Strategic Plan 2011-2015 with Resolution 03/01/11, and the following are achievements made in relation to the Plan.

- To meet Council's Objectives 1.4 - The continuing development of Steamtown is another major achievement of Council along with the refurbishment of various carriages and steam engines. Council has invested and will continue to grow the tourism objectives for the financial sustainability of the community.
- Through the development and implementation of the strategic tourism plan Council is able to meet objective 1.3.
- Developing tourism within Peterborough has enabled further employment opportunities and business growth thus meeting objective 1.5.
- Council has improved its greenhouse gas emissions with the installation of solar panels at the Town Hall and Works Depot enabling objective 4.1 to be met.
- An Urban Design Project for the Main Street Precinct has been developed to meet objective 1.1.
- To meet Objective 2.2 Council is currently investigating the possibility of installing a Community Wastewater Management System within the township of Peterborough.
- A new website has been developed and Council policies and procedures have been updated ensuring good governance practices thus meeting objective 5.1.
- Through the engagement of OPAL and the Healthy Communities initiative, the improvement in the sporting facilities and Council's financial support to local community groups, eg PUMPS, History Group, Xmas Pageant, Festival Committee, Council has been able to meet objective 3.1, 3.2, 3.3.

(b) **Competitive Tendering**

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

Council formally adopted this policy on 17th March 2014. (Reviewed annually)

(c) **Decision Making Structure**

Council makes decision that may directly or indirectly affect its community, stakeholders or other interested parties due to servicing of relevant projects, programs, goods and services. The following mechanisms contribute to Council decision making.



**COUNCIL**

- Section 41 Advisory / Other Committees – Recommendations to Council
- Development Assessment Panel – Delegated authority
- Executive Management Team – Recommendation reports to Council
- Authorised Officers – Authority via resolution of Council
- Chief Executive Officer – Delegated authority

Council Officers – Authority through
subdelegations from CEO

Authorised Officers – Appointed by CEO

(d) Equal Opportunity Programme and Human Resource Management

Council is supportive of, and adheres to, equal opportunity processes. It also takes part in the Work for the Dole Scheme.

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

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

Senior First Aid
Tree Awareness
Evacuation Drills
ChemTraining

Environmental Health (Food Safety Awareness)
Risk Assessments
WorkZone Traffic Management

(e) 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 Clause 7 Statement 2002 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 2016.

Resolution : 198/12/16

(Mrs) I R (Ruth) Whittle O.A.M.
Mayor
District Council of Peterborough



DISTRICT COUNCIL OF PETERBOROUGH

General Purpose Financial Reports for the year ended 30 June 2016

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DISTRICT COUNCIL OF PETERBOROUGH

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

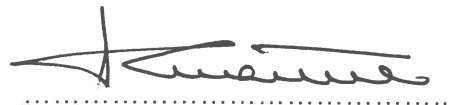
CERTIFICATION OF FINANCIAL STATEMENTS

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

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Council's financial position at 30 June 2016 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 with the exception of controls as per Galpins Accountants, Auditors & Business Consultants Interim Management Letter which will be improved during 2016-17.
- the financial statements accurately reflect the Council's accounting and other records.



Peter McGuinness
CHIEF EXECUTIVE OFFICER



Irene Ruth Whittle
MAYOR/COUNCILLOR

Date: 30th NOVEMBER 2016

DISTRICT COUNCIL OF PETERBOROUGH
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
INCOME			
Rates	2	1,494,249	1,450,070
Statutory charges	2	24,273	26,981
User charges	2	344,918	360,878
Grants, subsidies and contributions	2	1,561,240	2,483,668
Investment income	2	75,230	83,843
Reimbursements	2	63,047	60,118
Other income	2	231,465	407,336
Total Income		3,794,422	4,872,894
EXPENSES			
Employee costs	3	1,930,539	1,848,408
Materials, contracts & other expenses	3	1,693,335	1,602,026
Depreciation, amortisation & impairment	3	1,238,235	1,206,940
Finance costs	3	19,024	14,833
Total Expenses		4,881,133	4,672,207
OPERATING SURPLUS / (DEFICIT)		(1,086,711)	200,687
Asset disposal & fair value adjustments	4	-	(27,498)
Amounts received specifically for new or upgraded assets	2	6,257	179,487
NET SURPLUS / (DEFICIT)		(1,080,454)	352,676
transferred to Equity Statement			
TOTAL COMPREHENSIVE INCOME		(1,080,454)	352,676

OPERATING DEFICIT of \$1.086 million (2015: \$0.2 million surplus) has been affected by the timing of insurance claim funds received in 2012 & 2013 recognised in subsequent years.

To aid users of this report, the operating surplus has been restated to reflect the correct accounting treatment of the insurance funds received (refer to Note 2).

Restated Operating Surplus / (Deficit)	2	(1,236,745)	(142,501)
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This Statement is to be read in conjunction with the attached Notes.

DISTRICT COUNCIL OF PETERBOROUGH

STATEMENT OF FINANCIAL POSITION

as at 30 June 2016

		2016	2015
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,912,200	4,451,876
Trade & other receivables	5	255,585	270,408
Other financial assets	5	-	10,000
Inventories	5	2,981	3,861
		<u>4,170,766</u>	<u>4,736,145</u>
Total Current Assets		<u>4,170,766</u>	<u>4,736,145</u>
Non-current Assets			
Infrastructure, property, plant & equipment	7	14,180,504	15,060,090
Other non-current assets	6	369,200	151,635
Total Non-current Assets		<u>14,549,704</u>	<u>15,211,725</u>
Total Assets		<u>18,720,470</u>	<u>19,947,870</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	8	2,423,654	2,673,855
Borrowings	8	82,193	110,193
Provisions	8	423,538	396,942
		<u>2,929,385</u>	<u>3,180,990</u>
Total Current Liabilities		<u>2,929,385</u>	<u>3,180,990</u>
Non-current Liabilities			
Borrowings	8	241,788	142,183
Provisions	8	80,676	75,622
Total Non-current Liabilities		<u>322,464</u>	<u>217,805</u>
Total Liabilities		<u>3,251,849</u>	<u>3,398,795</u>
NET ASSETS		<u>15,468,621</u>	<u>16,549,075</u>
EQUITY			
Accumulated Surplus		(6,493,382)	(5,412,928)
Asset Revaluation Reserves	9	21,962,003	21,962,003
TOTAL EQUITY		<u>15,468,621</u>	<u>16,549,075</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 2016

	Notes	Accumulated Surplus \$	Asset Revaluation Reserve \$	Available for sale Financial Assets \$	Other Reserves \$	TOTAL EQUITY \$
2016						
Balance at end of previous reporting period		(5,412,928)	21,962,003	-	-	16,549,075
Restated opening balance		(5,412,928)	21,962,003	-	-	16,549,075
Net Surplus / (Deficit) for Year		(1,080,454)				(1,080,454)
Balance at end of period		(6,493,382)	21,962,003	-	-	15,468,621
2015						
Balance at end of previous reporting period		(5,765,604)	21,962,003		-	16,196,399
Restated opening balance		(5,765,604)	21,962,003	-	-	16,196,399
Net Surplus / (Deficit) for Year		352,676				352,676
Balance at end of period		(5,412,928)	21,962,003	-	-	16,549,075

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

DISTRICT COUNCIL OF PETERBOROUGH

STATEMENT OF CASH FLOWS

for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		1,479,873	1,459,072
Fees & other charges		25,184	29,197
User charges		120,204	362,470
Investment receipts		77,099	91,231
Grants utilised for operating purposes		1,678,286	2,287,690
Reimbursements		69,352	66,130
Other revenues		401,727	360,702
<u>Payments</u>			
Employee costs		(1,916,473)	(1,884,644)
Materials, contracts & other expenses		(2,187,688)	(1,809,737)
Finance payments		(16,453)	(15,677)
Net Cash provided by (or used in) Operating Activities		(268,889)	946,434
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		6,257	179,487
Sale of replaced assets		-	40,737
Net disposal of investment securities		10,000	11,000
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(9,837)	(221,591)
Expenditure on new/upgraded assets		(348,812)	(657,227)
Net Cash provided by (or used in) Investing Activities		(342,392)	(647,594)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Payments</u>			
Repayments of borrowings		71,605	(191,777)
Net Cash provided by (or used in) Financing Activities		71,605	(191,777)
Net Increase (Decrease) in cash held		(539,676)	107,063
Cash & cash equivalents at beginning of period	10	4,451,876	4,344,813
Cash & cash equivalents at end of period	10	3,912,200	4,451,876

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 2016

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* dated 19th September 2016.

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 (\$).

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 St Peterborough SA 5422. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

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

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

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

	Cash Payment Received	Annual Allocation	Difference	
2013/14	\$876,836	\$1,698,221	+ / -	-\$821,385
2014/15	\$2,401,438	\$1,592,649	+ / -	\$808,789
2015/16	\$771,244	\$1,580,033	+ / -	-\$808,789

Because these grants are untied, the Australian Accounting Standards require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

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

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

3.1 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".

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 Land under roads

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

6.2 Initial Recognition

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

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

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

6.3 Materiality

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

6.4 Subsequent Recognition

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

6.5 Depreciation of Non-Current Assets

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

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

Major depreciation periods for each class of asset are shown in Note 7. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

6.6 Impairment

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

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

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

6.7 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Borrowings

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

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

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

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

Weighted average discount rate	2.980% (2015, 2.534%)
Weighted average settlement period	10 years (2015, 12 years)

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 15.

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

10 GST Implications

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

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

11 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2016 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 124	Related Party Disclosures

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

(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.

Accounting Standard AASB 16 *Leases* may have a material effect on the amounts disclosed in these reports, particularly in relation to Infrastructure, Property, Plant & Equipment, but does not commence until the 2019/20 financial period, and it is not Council's intention to adopt this Standard early.

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 2 - INCOME

	2016	2015
Notes	\$	\$
RATES REVENUES		
<u>General Rates</u>	1,252,175	1,208,408
Less: Discretionary rebates, remissions & write offs	<u>(26,416)</u>	<u>(25,484)</u>
	1,225,759	1,182,924
<u>Other Rates</u> (including service charges)		
Natural Resource Management levy	25,607	24,816
Waste collection	<u>220,968</u>	<u>220,522</u>
	246,575	245,338
<u>Other Charges</u>		
Penalties for late payment	<u>21,915</u>	<u>21,808</u>
	21,915	21,808
	<u>1,494,249</u>	<u>1,450,070</u>
STATUTORY CHARGES		
Development Act fees	6,176	5,749
Town planning fees	2,839	2,245
Animal registration fees & fines	15,258	13,303
Sundry	-	5,684
	<u>24,273</u>	<u>26,981</u>
USER CHARGES		
Cemetery/crematoria fees	11,392	14,645
Rural Transaction Centre	16,003	6,615
Informer	5,817	5,896
Council House Rent	6,174	10,920
Sport and Recreation Reserves	10,081	9,522
Dump	9,720	11,954
Swimming Pool Charges	12,848	11,777
Other User Charges	4,586	8,539
Steamtown	227,562	228,703
Other Commercial Activities	31,592	40,289
Hall & Equipment Hire	<u>9,143</u>	<u>12,018</u>
	344,918	360,878
INVESTMENT INCOME		
Interest on investments		
Local Government Finance Authority	75,050	83,703
Banks & other	<u>180</u>	<u>140</u>
	75,230	83,843

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

NOTE 2 - INCOME (continued)

	2016	2015
Notes	\$	\$
REIMBURSEMENTS		
- Community Services Coordinator	217	3,602
- for private works	10,128	9,748
- immunisations	398	787
- Work for the Dole	35,594	30,610
- other	16,710	15,371
	<u>63,047</u>	<u>60,118</u>
OTHER INCOME		
Fines & Costs Recovered	3,250	2,431
Sundry	228,215	404,905
	<u>231,465</u>	<u>407,336</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Amounts received specifically for new or upgraded assets	6,257	179,487
Other grants, subsidies and contributions		
Untied - Financial Assistance Grant	771,244	2,401,438
Roads to Recovery	519,811	-
Library & Communications	6,696	7,914
Sundry	263,489	74,316
	<u>1,561,240</u>	<u>2,483,668</u>
	<u>1,567,497</u>	<u>2,663,155</u>
<i>The functions to which these grants relate are shown in Note 12.</i>		
Sources of grants		
Commonwealth government	1,291,055	2,401,438
State government	270,185	82,230
Other	6,257	179,487
	<u>1,567,497</u>	<u>2,663,155</u>
Income Adjustment		
*Flood money drawn down on investments	156,291	343,188
 <i>*In accordance with the Accounting Standard AASB 1004, not for profit entities must recognise a contribution immediately as revenue when it has control or the right to receive the contribution. For this reason, the insurance claim funds receipted by Council in 2012 and 2013 (and recognised as revenue in subsequent years when funds were expensed) must be excluded from Grants, Subsidies and Contributions revenue.</i>		
Adjusted Grants, Subsidies & Contributions	1,411,206	2,319,967
<i>As a result of the above, the Council's operating surplus / (deficit) has been restated on the Statement of Comprehensive Income.</i>		
OPERATING SURPLUS / (DEFICIT) AFTER INSURANCE FUNDS ADJUSTMENT	<u>(1,236,745)</u>	<u>(142,501)</u>
Individually Significant Item		
2015-16 FAG's received in advance	-	808,789

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 3 - EXPENSES

	Notes	2016 \$	2015 \$
EMPLOYEE COSTS			
Salaries and Wages		1,546,076	1,461,695
Employee leave expense		178,289	137,465
Superannuation - defined contribution plan contributions	15	118,066	116,364
Superannuation - defined benefit plan contributions	15	41,823	46,828
Workers' Compensation Insurance		46,285	86,056
Total Operating Employee Costs		1,930,539	1,848,408
 Total Number of Employees		 28	 27
<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		22,500	8,500
Elected members' expenses		73,740	73,428
Election expenses		492	9,571
Subtotal - Prescribed Expenses		96,732	91,499
 <u>Other Materials, Contracts & Expenses</u>			
Contractors		424,277	276,265
Energy		103,273	96,434
Other Materials		467,322	500,211
Fuel/Lubricants		102,411	97,102
Insurance		177,025	164,205
Subscriptions		21,026	21,695
Waste Collection & Disposal		193,312	226,533
Water		50,866	47,498
Maintenance		24,267	27,963
Legal Expenses		32,824	52,621
Subtotal - Other Materials, Contracts & Expenses		1,596,603	1,510,527
		1,693,335	1,602,026

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 3 - EXPENSES (cont)

	2016	2015
Notes	\$	\$
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Buildings & Other Structures	631,525	635,444
Plant & Equipment	299,108	282,740
Furniture & Fittings	185,896	167,050
Steamtown	121,706	121,706
	<u>1,238,235</u>	<u>1,206,940</u>
	<u>1,238,235</u>	<u>1,206,940</u>
 FINANCE COSTS		
Interest on Loans	19,024	14,833
	<u>19,024</u>	<u>14,833</u>

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2016 \$	2015 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		-	40,737
Less: Carrying amount of assets sold		-	68,235
Gain (Loss) on disposal		<u>-</u>	<u>(27,498)</u>
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		 <u>-</u>	 <u>(27,498)</u>

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 5 - CURRENT ASSETS

	2016	2015
CASH & EQUIVALENT ASSETS	\$	\$
Cash on Hand and at Bank	222,545	44,666
Deposits at Call	3,689,655	4,407,210
	<u>3,912,200</u>	<u>4,451,876</u>
 TRADE & OTHER RECEIVABLES		
Rates - General & Other	191,073	176,697
Accrued Revenues	16,193	18,062
Debtors - general	46,188	74,535
Sundry	2,131	1,114
Total	<u>255,585</u>	<u>270,408</u>
	<u>255,585</u>	<u>270,408</u>
 <i>Amounts included in receivables that are not expected to be received within 12 months of reporting date.</i>	 23050	 26836
 OTHER FINANCIAL ASSETS		
Term Deposit (Sports Complex)	-	10,000
	<u>-</u>	<u>10,000</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	2,981	3,861
	<u>2,981</u>	<u>3,861</u>

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 6 - NON-CURRENT ASSETS

	Notes	2016 \$	2015 \$
FINANCIAL ASSETS			
OTHER NON-CURRENT ASSETS			
Inventories			
Capital Works in Progress		<u>369,200</u>	<u>151,635</u>
		<u>369,200</u>	<u>151,635</u>
		<u>369,200</u>	<u>151,635</u>

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	Fair Value Level	2015 \$				2016 \$			
		AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	2	1,091,700	-	-	1,091,700	1,091,700	-	-	1,091,700
Land	3	353,800	-	-	353,800	353,800	-	-	353,800
Buildings & Other Structures	2	22,051,100	-	(20,801,217)	1,249,883	22,051,100	-	(20,941,176)	1,109,924
Buildings & Other Structures	3	4,049,500	-	(3,391,844)	657,656	4,049,500	-	(3,459,197)	590,303
Infrastructure	3	22,600,370	-	(14,838,348)	7,762,022	22,600,370	276,166	(15,262,561)	7,613,975
Plant & Equipment		3,309,570	996,147	(2,173,330)	2,132,387	3,309,570	1,053,454	(2,472,438)	1,890,586
Furniture & Fittings		1,338,142	613,023	(670,322)	1,280,843	1,338,142	638,199	(856,218)	1,120,123
Steamtown		1,932,061	-	(1,400,262)	531,799	1,932,061	-	(1,521,968)	410,093
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		56,726,243	1,609,170	(43,275,323)	15,060,090	56,726,243	1,967,819	(44,513,558)	14,180,504
Comparatives		56,812,074	846,806	(42,100,326)	15,558,554	56,726,243	1,609,170	(43,275,323)	15,060,090

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 2016

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2015	CARRYING AMOUNT MOVEMENTS DURING YEAR								2016
	\$	\$								\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	CARRYING AMOUNT
		New/Upgrade	Renewals				In	Out		
Land	1,091,700	-	-	-	-	-	-	-	-	1,091,700
Land	353,800	-	-	-	-	-	-	-	-	353,800
Buildings & Other Structures	1,249,883	-	-	-	(139,959)	-	-	-	-	1,109,924
Buildings & Other Structures	657,656	-	-	-	(67,353)	-	-	-	-	590,303
Infrastructure	7,762,022	276,166	-	-	(424,213)	-	-	-	-	7,613,975
Plant & Equipment	2,132,387	57,307	-	-	(299,108)	-	-	-	-	1,890,586
Furniture & Fittings	1,280,843	15,339	9,837	-	(185,896)	-	-	-	-	1,120,123
Steamtown	531,799	-	-	-	(121,706)	-	-	-	-	410,093
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	15,060,090	348,812	9,837	-	(1,238,235)	-	-	-	-	14,180,504
<i>Comparatives</i>	15,558,554	657,227	119,483	(68,234)	(1,206,940)					15,060,090

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 2016

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 1st July 2013 were at fair value as determined by Liquid Pacific and certified by Martin Burns.
Additions are recognised at cost.

Buildings

Valuations of Buildings as at 1st July 2013 were at fair value as determined by Liquid Pacific and certified by Martin Burns.
Additions are recognised at cost.

Plant & Equipment

Plant and Equipment are held at cost. Historically some asset values within the opening balances were determined by a valuation in 2003 based on written down replacement cost. These balances have been used as a proxy cost.

Furniture & Equipment

Furniture and Equipment are held at cost. Historically some asset values within the opening balances were determined by a valuation in 2003 based on written down replacement cost. These balances have been used as a proxy cost.

Infrastructure

Valuations of Infrastructure as at 1st July 2013 were at fair value as determined by District Council of Peterborough.
Additions are recognised at cost.

Steamtown

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

Capitalisation Thresholds

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

Infrastructure	\$5,000
Land	\$2,000
Buildings	\$5,000
Furniture & Equipment	\$2,000
Plant & Equipment	\$2,000
Other	\$2,000

Estimated Useful Lives

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

Plant, Furniture & Equipment	5 to 10 years
Building & Other Structures	25 to 100 years
Infrastructure	
Sealed Roads – Surface	30 years
Sealed Roads – Structure	100 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 years
Paving & Footpaths	10 to 60 years
Kerb & Gutter	80 years
Drains	20 to 100 years
Culverts	80 years
Furniture	10 to 50 years
Other	10 to 100 years

Coalface SA Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 7 – Property, Plant & Equipment (cont)

Valuation of Assets

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

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

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs). Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on Valuations

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

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

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets - There is no known market for these assets and they are valued at depreciated current replacement cost. This method involves:

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

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

Highest and best use

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

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 8 - LIABILITIES

		2016		2015	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		377,484		363,076	
Payments received in advance		1,936,835	-	2,224,388	-
Accrued expenses - employee entitlements		21,833	-	3,880	-
Accrued expenses - other		5,365	-	2,794	-
Deposits, Retentions & Bonds		82,137	-	79,717	-
		<u>2,423,654</u>	<u>-</u>	<u>2,673,855</u>	<u>-</u>
 BORROWINGS					
Loans		82,193	241,788	110,193	142,183
		<u>82,193</u>	<u>241,788</u>	<u>110,193</u>	<u>142,183</u>
 PROVISIONS					
Employee entitlements (including oncosts)		423,538	53,133	396,942	75,622
Other		-	27,543	-	-
		<u>423,538</u>	<u>80,676</u>	<u>396,942</u>	<u>75,622</u>

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2015	Net Increments (Decrements)	Transfers, Impairments	30/6/2016
Notes	\$	\$	\$	\$
Land	1,268,469	-	-	1,268,469
Buildings & Other Structures	4,442,599	-	-	4,442,599
Infrastructure, Plant & Equipment	15,433,452	-	-	15,433,452
Furniture & Fittings	731,046	-	-	731,046
Steamtown	86,437	-	-	86,437
TOTAL	<u>21,962,003</u>			<u>21,962,003</u>
<i>Comparatives</i>	<u>21,962,003</u>	-	-	<u>21,962,003</u>

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 10 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2016 \$	2015 \$
Total cash & equivalent assets	5	3,912,200	4,451,876
Balances per Cash Flow Statement		3,912,200	4,451,876

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

Net Surplus (Deficit)	(1,080,454)	352,676
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,238,235	1,206,940
Net increase (decrease) in unpaid employee benefits	22,060	(36,236)
Grants for capital acquisitions treated as Investing Activity	(6,257)	(179,487)
Net (Gain) Loss on Disposals	-	27,498
	173,584	1,371,391
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	14,823	(18,588)
Net (increase) decrease in inventories	(216,685)	406
Net increase (decrease) in trade & other payables	(268,154)	(406,775)
Net increase (decrease) in other provisions	27,543	-
Net Cash provided by (or used in) operations	(268,889)	946,434

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 11 - 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						
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Administration	1,907,542	3,292,718	845,596	751,436	1,061,946	2,541,282	650,917	2,079,612	-	-
Public Order	-	-	13,735	10,786	(13,735)	(10,786)	-	-	-	-
Health	398	787	2,647	4,250	(2,249)	(3,463)	-	-	-	-
Welfare	58,806	68,127	96,674	120,436	(37,868)	(52,309)	39,857	52,559	-	-
Community Support	249,513	261,856	472,221	523,041	(222,708)	(261,185)	-	-	-	-
Recreation	197,662	46,882	600,631	535,788	(402,969)	(488,906)	160,328	7,914	-	-
Agricultural Services	25,607	24,816	26,432	25,175	(825)	(359)	-	-	-	-
Regulatory Services	21,536	22,733	140,377	163,667	(118,841)	(140,934)	-	-	-	-
Transport and Communications	796,429	665,014	1,182,267	987,324	(385,838)	(322,310)	640,138	321,826	-	-
Economic Development	256,217	294,480	760,503	751,254	(504,286)	(456,774)	-	-	-	-
Other NEC	280,712	195,481	35,108	23,693	245,604	171,788	70,000	21,757	18,720,470	19,947,870
Inter Function	-	-	704,942	775,357	(704,942)	(775,357)	-	-	-	-
TOTALS	3,794,422	4,872,894	4,881,133	4,672,207	(1,086,711)	200,687	1,561,240	2,483,668	18,720,470	19,947,870

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

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 11 (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 2016

Note 12 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 1.75% and 2.00% (2015: 2.75% and 2.00%).</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 0.5833% (2015: 0.6667%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Receivables - Retirement Home Contributions	<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: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the 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 (describe basis); interest is charged at fixed (or variable - describe) rates between 4.15% and 7.88% (2015: 6.25% and 8.05%)</p> <p>Carrying amount: approximates fair value.</p>

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 12 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2016	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	3,912,200			3,912,200	3,912,200
Receivables	64,512	-	-	64,512	64,512
Other Financial Assets	-	-	-	-	-
Total	3,976,712	-	-	3,976,712	3,976,712
Financial Liabilities					
Payables	2,396,456	-	-	2,396,456	2,396,456
Current Borrowings	97,998	-	-	97,998	82,193
Non-Current Borrowings	-	238,221	24,381	262,602	241,788
Total	2,494,454	238,221	24,381	2,757,056	2,720,437

2015	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	4,451,880			4,451,880	4,451,880
Receivables	93,711	-	-	93,711	93,711
Other Financial Assets	10,000	-	-	10,000	10,000
Total	4,555,591	-	-	4,555,591	4,555,591
Financial Liabilities					
Payables	2,667,181	-	-	2,667,181	2,667,181
Current Borrowings	122,496	-	-	122,496	110,193
Non-Current Borrowings	-	135,620	24,381	160,001	142,183
Total	2,789,677	135,620	24,381	2,949,678	2,919,557

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

	30 June 2016		30 June 2015	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	6.16	323,981	6.94	252,376
		<u>323,981</u>		<u>252,376</u>

Net Fair Value

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

Risk Exposures

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

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

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

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

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 13 - FINANCIAL INDICATORS

	2016	2015	2014
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These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

The Information Paper was revised in May 2015 and the financial indicators for previous years have been re-calculated in accordance with the revised formulas.

Operating Surplus Ratio

<u>Operating Surplus</u>	(29.0%)	4.0%	(23.0%)
Total Operating Revenue			

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

Adjusted Operating Surplus Ratio

	(29%)	(12%)	(23%)
--	-------	-------	-------

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	-24%	-27%	-15%
Total Operating Revenue			

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

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	2%	16%	1%
Infrastructure & Asset Management Plan required expenditure			

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

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 14 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2016 \$	2015 \$
Income	3,794,422	4,872,894
less Expenses	4,881,133	4,672,207
Operating Surplus / (Deficit)	(1,086,711)	200,687
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	9,837	221,591
Depreciation, Amortisation and Impairment	(1,238,235)	(1,206,940)
Proceeds from Sale of Replaced Assets	-	(40,737)
	(1,228,398)	(1,026,086)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	348,812	657,227
Amounts received specifically for New and Upgraded Assets	(6,257)	(179,487)
	342,555	477,740
Net Lending / (Borrowing) for Financial Year	(200,868)	749,033

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 15 – SUPERANNUATION

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2015/16; 9.50% in 2014/15). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2014/15) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

DISTRICT COUNCIL OF PETERBOROUGH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 16 - 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 6 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 (2015: \$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 zero 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.



Accountants, Auditors
& Business Consultants

Laurie Galpin FCPA
David Chant FCPA
Simon Smith FCPA
David Sullivan CPA
Jason Seidel CA
Renaë Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
Luke Williams CPA

INDEPENDENT AUDITOR'S REPORT

To the members of the District Council of Peterborough

Report on the Financial Report

We have audited the accompanying financial report of the District Council of Peterborough (the Council), which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of the District Council of Peterborough.

Council's Responsibility for the Financial Report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council'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 Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

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Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Audit Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the District Council of Peterborough as at 30 June 2016, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Timothy Muhlhausler CA, Registered Company Auditor
Partner

30 / 11 / 2016



Accountants, Auditors
& Business Consultants

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DISTRICT COUNCIL OF PETERBOROUGH

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE DISTRICT COUNCIL OF PETERBOROUGH

We have audited the compliance of the District Council of Peterborough (the Council) with the requirements of *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2015 to 30 June 2016 have been conducted properly and in accordance with law.

The Council's Responsibility for Internal controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with Section 125 of the Local Government Act 1999 to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

Auditor's responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the Local Government Act 1999 in relation only to the Internal Controls specified above for the period 1 July 2015 to 30 June 2016. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of controls on a sample basis based on the assessed risks.

Limitation of Use

This report has been prepared for the members of the Council in Accordance with Section 129 of the Local Government Act 1999 in relation to the Internal Controls Specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than which it was prepared.

Limitations of Controls

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

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

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

Basis for Qualification

The following gaps in Council's control environment were identified during the course of the audit for the period 1 July 2015 to 30 June 2016:

- A list of users' access rights was not reviewed by management to monitor segregation of duties controlled by access rights to various modules in the LGS system. Furthermore, general ledger and bank reconciliations were not independently reviewed which is a key detective control to identify any potential unauthorised or inappropriate transactions.
- Audit trails of changes to master files for finance modules were not reviewed. As a result, there was a risk that unauthorised changes to those master files could be made and not be detected, potentially compromising the integrity of data systems and records.

The Council has since performed a review of access rights and has implemented a regular review process for bank and general ledger reconciliations, and is investigating options to enable review of audit trails of master file changes.

Qualified Audit Opinion

In our opinion, except for the possible effects on the Internal Controls of the matters referred to in the qualification paragraph, the Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2015 to 30 June 2016.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Timothy Muhlhausler, CA, Registered Company Auditor
Partner

DISTRICT COUNCIL OF PETERBOROUGH

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

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 2016, the Council's Auditor, Galpins Accountants, Auditors & Business Consultants 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*.



Peter McGuinness
CHIEF EXECUTIVE OFFICER



Irene Ruth Whittle
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 30th November 2016

District Council of Peterborough

General Purpose Financial Statements

For the year ended 30 June 2016

Statement by Auditor

I confirm that, for the audit of the financial statements of District Council of Peterborough for the year ended 30 June 2016, 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*.



Tim Muhlhausler
Galpins

30 / 11 / 2016



Central

Local Government Region of South Australia

Incorporated under provisions of the Local Government Act

Annual Report for 2015 – 2016

A regional subsidiary of:

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

Contact Details

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Website:

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The Central Local Government Region of South Australia

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

The Central Region is established to:

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

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

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

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

Office Bearers for 2015/16

Chairman:

Mayor Peter Matthey (Goyder)

Deputy Chairs:

Mayor Sandra Wauchope (Mount Remarkable)
Mayor Allan Aughey (Clare & Gilbert Valleys)

Executive Members:

Mayor Rodney Reid (Wakefield)
Mayor Paul Thomas (Copper Coast)

**Delegate to the LGA Board
representing the Central
Region of the LGA
Constitution:**

Mayor Denis Clark (Northern Areas) LGA Board Member
Mayor Ray Agnew (Yorke Peninsula) LGA Board Member
Mayor Peter Matthey (Goyder) LGA Deputy Board Member

Chief Executive Officer:

Mr Paul McInerney
(Interim Executive Officer and Outreach Services Project until
December 2015)
Mr David J. Stevenson (from December 2015)

Auditor:

Mr Ian G. McDonald FCA

Central Local Government Region Board of Management

Each Constituent Council may appoint one elected member as delegate to be a Board Member. A proxy delegate is also appointed, with provisions allowing for representation by other elected or endorsed members.

Constituent Councils have appointed the following delegates and proxy delegates to the Board of Management:

Council	Delegate	Proxy Delegate
The Barossa Council	Mayor Bob Sloane	
District Council of Barunga West	Mayor Cynthia Axford	Deputy Mayor Dean Dolling
District Council of the Copper Coast	Mayor Paul Thomas	Deputy Mayor Roslyn Talbot
Clare & Gilbert Valleys Council	Mayor Allan Aughey	Cr Ian Burfitt
Flinders Ranges Council	Mayor Peter Slattery	Deputy Mayor Ken Anderson
Regional Council of Goyder	Mayor Peter Matthey	Deputy Mayor Jane Kellock
Light Regional Council	Mayor Bill O'Brien	Cr Lynette Reichstein
District Council of Mallala	Mayor Duncan Kennington (to 27 November) Mayor Tony Flaherty (from 7 March 2016)	Deputy Mayor Marcus Strudwicke
District Council of Mount Remarkable	Mayor Sandra Wauchope	Deputy Mayor Colin Nottle
Northern Areas Council	Mayor Denis Clark	Deputy Mayor Merv Robinson
District Council of Orroroo Carrieton	Chair Kathy Bowman	Deputy Chair Grant Chapman
District Council of Peterborough	Mayor Ruth Whittle	Cr Frank Hardbottle
Port Pirie Regional Council	Cr Neville Wilson (to August 2015) Mayor John Rohde (from August 2015)	Cr Neville Wilson
Wakefield Regional Council	Mayor Rodney Reid	Deputy Mayor Darryl Ottens
Yorke Peninsula Council	Mayor Ray Agnew	Cr John Rich

Meetings of the Central Region Board of Management

The following meetings of the Board of Management were held during the 2015/16 year:

- Special Meeting 3rd July, 2015
- Annual General Meeting 21st August, 2015
- Special Meeting 31st August, 2015
- Special Meeting 9th September, 2015
- Special Meeting 25th September, 2015
- Ordinary Meeting 20th November, 2015
- Ordinary Meeting 19th February, 2016
- Ordinary Meeting 13th May, 2016

Committee Meetings

In accordance with its Charter, the Board of Management has five committees

Committee	Members	Meeting Dates
Executive Committee:	<ul style="list-style-type: none"> • Mayor Peter Matthey (Chair) • Mayor Allan Aughey • Mayor Sandra Wauchope • Mayor Rodney Reid • Mayor Paul Thomas 	
Audit Committee:	<ul style="list-style-type: none"> • Mayor Ray Agnew (Chair) • Mayor Kathie Bowman • Dr Andrew Johnson • Mr Colin Davies 	Exemption granted by the Minister for Local Government until 30 th June, 2016
Management Group Meetings:	<ul style="list-style-type: none"> • Mr Martin McCarthy (Barossa) • Mr Andrew Cole (Barunga West) • Mr Roy Blight (Clare & Gilbert Valleys) • Mr Peter Harder (Copper Coast) • Mr Colin Davies (Flinders Ranges) • Mr John Brak (Goyder) • Mr Richard Michael (Light) • Mr Wayne Hart (Mt Remarkable) • Mr Colin Byles (Northern Areas) • Mr Stephen Rufus (Orroroo/Carrieton) • Mr Peter McGuinness (Peterborough) • Dr Andrew Johnson (Pirie Regional) • Ms Cate Atkinson then Mr Christopher Parish (Wakefield) • Mr Andrew Cameron (Yorke Peninsula) 	11 th December, 2015 5 th February, 2016 1 st April, 2016
Transport & Infrastructure Advisory Committee:	<ul style="list-style-type: none"> • Mr David Hassett (Chair – Wakefield) • Mr Fred Linke (Barunga West) • Mr Steve Kaesler (Barossa) • Ms Joanne Buchanan (RDAY&MN) • Mr Kieren Chappell (Light) • Mr Colin Davies (Flinders Ranges) 	22 nd April, 2016
Regional Climate Change Steering Committee:	<ul style="list-style-type: none"> • Mr Paul McInerney (Interim Executive Officer until December 2014) • Mr David Stevenson (Chief Executive Officer from December 2015) • Ms Kelly-Anne Saffin (RDAY&MN) • Mr Dylan Strong (N&Y NRM Board) 	26 th October, 2015 14 th December, 2015 6 th April, 2016 17 th June, 2016

Achievements for 2015/16

During the year, there was continued progress against a number of priority activities.

1. Board Governance and Operations

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

Achievements for 2015/16

- Committees that operated under the Charter all conducted their operations within their terms of reference.
- Interim Executive support was provided to ensure a smooth implementation of the Future Directions Review Transition Management Planning.
- Appointment of a new Chief Executive Officer in December 2015.
- Adoption of the 2016/17 Business Plan and Budget.
- Review the procurement roadmap work completed by ArcBlue under the Future Directions Review.
- Acquittals to the Local Government Research and Development Scheme SA were completed. Projects included the strategic procurement risk management compliance governance and reporting model. Also the
- Development and the recommendation by the Board of Management to members of a new Charter.
- Conduct the election of board members for Regional Development Australia Yorke and Mid North.

2. Local Government Leadership and Sustainability

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

Achievements for 2015/16

- LGA Outreach Services – this Pilot Project was funded by the Local Government Association SA. The project commenced in January 2014 and finished in January 2016. In addition to the Future Directions Review the Outreach Services pilot project enabled the Interim Executive Officer to oversee a continuum of the procurement preparatory work.
- Crown Lands Red Tape Reduction between Local and State Governments is an ongoing matter.
- Attendance by Local Government Association (LGA) and Office of Local Government (OLG) at Central Region quarterly meetings.
- Communications with LGA and Office of Local Government staff as required.
- Complete the transition for the Council Chief Executive Officer meetings into Management Group Meetings.
- Regional representation at SA Regional Organisation of Councils (SAROC) and LGA Board meetings.
- Attendance at Local Government Association SA ordinary meetings and forums in Adelaide.
- Attendance by Councils Mayors and Chief Executives at the Local Government Association SA Presidents Show Case in Adelaide.
- Communication and meetings/workshops with SAROC Executive Officers on key issues as required.
- Participation of relevant regional agencies and bodies on Central Region committees and at workshops and forums as appropriate.
- Member of Parliament briefings as required.
- Website updated with Agenda, Minutes, Future Directions Review Final Report.
- The new "royalty on rubble" introduced by the State Government paid by local government when raising rubble to maintain vital local roads and infrastructure will continued to be pursued as a major issue for the region and other regional SA Councils.

- The region continues to monitor and is expecting to elevate the concerns Council members have for Community Passenger Networks across the region. The region has legitimate concerns about the ongoing funding arrangements and therefore viability of the services. Ongoing discussion with the Department for Communities and Social Inclusion along with the Federal Government as it rolls out the National Disability Scheme will remain an ongoing major issue.
- A detailed submission to the Regional Health Services Inquiry resulted in the Social Development Committee secretariat recommending our concerns be raised directly with Country Heath SA.

3. Regional and Community Sustainability

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

Achievements for 2015/16

Regional Identity, Planning & Cohesion

- Regional Strategic Alliance meetings with Northern and Yorke Natural Resources Management Board (NRM) and Regional Development Australia Yorke and Mid North (RDAY&MN) were recommenced in January 2016.
- Participation in meetings of RDAY&MN and Northern and Yorke Resource Management Executive Officers.
- Attendance at a number of Northern and Yorke Natural Resource Management Board meetings as a non-voting delegate.

Transport

- Convened the Central Region Transport Infrastructure Advisory Committee, for Special Local Roads Program purposes in April 2016.
- Assessment, inspection and regional submission to Special Local Roads program in accordance with LGA TAP Committee requirements.

Environment and Natural Resources

- Local Government representative attendance at various Regional NRM Board meetings by interim Executive Officer as a non-voting delegate under the YMN NRM Board constitution.
- YMN NRM Board advised of progress by CLGR of its Future Direction Review and investigation of Hunter Councils Inc. (NSW), Pilbara (WA) and Cradle Coast Authority (Tasmania) models.

Climate Change and Emergency Management

- Funding for the regional climate change coordinator to work across local government, regional development and Natural Resources Management. We participate in the Regional Alliance Climate Change with partners Regional Development Australia Yorke and Mid North (RDA) and Northern & Yorke Natural Resources Management Board (NRM).
- A two-year contract covering the Alliance for the Climate Change Coordinator concludes in 2017. This allows local government access to expertise in this specialised area and for sourcing of project funds for local government as opportunity arises.
- Ongoing development of Goyder's Line Sustainability Hub and research concept.
- Applying the NRM Planning for Climate Change to begin the update the Regional NRM Plan incorporating resilience thinking and adaptive management principles.
- Partnering in the Climate Change and Bushfire project to investigate the ability to model the impact of climate change on fire danger indexes in the region.
- Coordinated LG representation to Yorke/Mid North Zone Emergency Management committees (ZEMC).
- Ongoing participation in local, state and Australian Governments workshops and programs.

**CENTRAL LOCAL GOVERNMENT
REGION of SA Inc**



**Annual Financial
Statements**

For the financial year

July 1st 2015 – June 30th 2016

Central Local Government Region of SA Inc

General Purpose Financial Reports for the year ended 30 June 2016

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Audit Certificate of Audit Independence	

Central Local Government Region of SA Inc.

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 June 2016

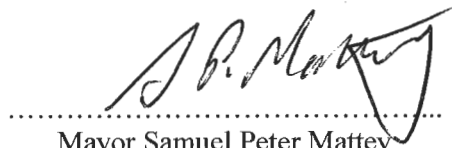
CERTIFICATION OF FINANCIAL STATEMENTS

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

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Region's financial position at 30 June 2016 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Region provide a reasonable assurance that the Region's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Region's accounting and other records.



David J. Stevenson
Chief Executive Officer



Mayor Samuel Peter Matthey
President

Date:

19th August, 2016

Central Local Government Region of SA Inc

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
INCOME			
Grants, subsidies and contributions	2	316,166	285,555
Investment income	2	13,869	18,419
Other income	2	154,140	193,714
Total Income		<u>484,175</u>	<u>497,688</u>
EXPENSES			
Employee costs	3	92,626	-
Materials, contracts & other expenses	3	264,741	796,701
Depreciation, amortisation & impairment	3	3,243	850
Total Expenses		<u>360,610</u>	<u>797,551</u>
OPERATING SURPLUS / (DEFICIT)		123,565	(299,863)
Asset disposal & fair value adjustments	4	-	(12,602)
NET SURPLUS / (DEFICIT)		123,565	(312,465)
transferred to Equity Statement			
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		<u>123,565</u>	<u>(312,465)</u>

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

Central Local Government Region of SA Inc

STATEMENT OF FINANCIAL POSITION

as at 30 June 2016

	Notes	2016 \$	2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	556,783	541,825
Trade & other receivables	5	124,056	64,293
Total Current Assets		680,839	606,118
Non-current Assets			
Property, plant & equipment	7	30,110	-
Total Non-current Assets		30,110	-
Total Assets		710,949	606,118
LIABILITIES			
Current Liabilities			
Trade & other payables	8	18,928	43,877
Provisions	8	6,060	-
Total Current Liabilities		24,988	43,877
Non-current Liabilities			
Provisions	8	155	-
Total Non-current Liabilities		155	-
Total Liabilities		25,143	43,877
NET ASSETS		685,806	562,241
EQUITY			
Accumulated Surplus		113,143	68,145
Other Reserves	9	572,663	494,096
TOTAL EQUITY		685,806	562,241

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

Central Local Government Region of SA Inc

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2016

		Accumulated Surplus	Other Reserves	TOTAL EQUITY
2016	Notes	\$	\$	\$
Balance at end of previous reporting period		68,145	494,096	562,241
Net Surplus / (Deficit) for Year		123,565	-	123,565
Other Comprehensive Income				
Transfers between reserves	9	(78,567)	78,567	-
Balance at end of period		113,143	572,663	685,806

2015				
Balance at end of previous reporting period		25,212	849,494	874,706
Net Surplus / (Deficit) for Year		(312,465)	-	(312,465)
Other Comprehensive Income				
Transfers between reserves	9	355,398	(355,398)	-
Balance at end of period		68,145	494,096	562,241

Central Local Government Region of SA Inc

STATEMENT OF CASH FLOWS

for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Investment receipts		14,132	19,089
Grants utilised for operating purposes		224,444	438,015
Other revenues		217,562	96,095
<u>Payments</u>			
Employee costs		(81,342)	-
Materials, contracts & other expenses		(326,485)	(776,072)
Net Cash provided by (or used in) Operating Activities		48,311	(222,873)
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Sale of surplus assets		-	15,455
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(33,353)	-
Net Cash provided by (or used in) Investing Activities		(33,353)	15,455
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Cash provided by (or used in) Financing Activities		-	-
Net Increase (Decrease) in cash held		14,958	(207,418)
Cash & cash equivalents at beginning of period	11	541,825	749,243
Cash & cash equivalents at end of period	11	556,783	541,825

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

Central Local Government Region of SA Inc.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

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

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* dated 9th August 2014.

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

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

1.1 Historical Cost Convention

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

1.2 The Local Government Reporting Entity

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

The Constituent Councils are:

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

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

1.3 Income recognition

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

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

1.4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

1.5 Property, Plant & Equipment

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

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Region for each type of asset. In determining (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:

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

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of the Region, best reflects the consumption of the service potential embodied in those assets.

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

Major depreciation periods for each class of asset are shown in Note 7.

1.6 Payables

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

Amounts received from external parties in advance of service delivery are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

Employee Benefits

Salaries, Wages & Compensated Absences

The Region engaged the services of a Chief Executive Officer on the 7th December 2015 and as at 30th June 2016 the CEO is the only employee of the Region. Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

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

Weighted average discount rate	2.08% (2015, Nil%)
Weighted average settlement period	10 years (2015, Nil years)

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

Superannuation

The Region contributes the statutory 9.5% SGC superannuation for the CEO to a Self-Managed Superannuation Fund.

GST Implications

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

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

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

Pending Accounting Standards

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

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 124	Related Party Disclosures

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 14-10, AASB 15-1, AASB 15-2, AASB 15-3, AASB 15-4, AASB 15-5 and AASB 2015-6.
(Standards not affecting local government have been excluded from the above list.)

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

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

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 2 - INCOME

	2016 \$	2015 \$
INVESTMENT INCOME		
Interest on investments		
Local Government Finance Authority	13,795	18,312
Banks & other	74	107
	<u>13,869</u>	<u>18,419</u>
OTHER INCOME		
Council Contributions	154,140	152,460
Sundry	-	41,254
	<u>154,140</u>	<u>193,714</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Other grants, subsidies and contributions	316,166	285,555
	<u>316,166</u>	<u>285,555</u>
Sources of grants		
Commonwealth government	-	39,954
State government	231,166	235,601
Other	85,000	10,000
	<u>316,166</u>	<u>285,555</u>
Conditions over grants & contributions		
<i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i>		
Unexpended at the close of the previous reporting period	143,003	516,994
Less: expended during the current period from revenues recognised in previous reporting periods		
P003-Waste Management	-	(15,635)
P009-Climate Change	-	(95,703)
P010-Windfarm Liaison	-	(27,593)
P015-Local Government Reform	(48,952)	-
P016-Upper Spencer Gulf RSP	-	(182,941)
P018-Policy Amendment Review	-	(30,000)
P019-Coastal Adaptation	-	(30,000)
P020-Risk Assessment	-	(30,000)
P022-Roads & Transport	(127)	(680)
P023-Outreach Collaboration Project	(52,923)	-
P024-Climate Change Co-ordinator 2015-17	(5,471)	-
Subtotal	<u>(107,473)</u>	<u>(412,552)</u>
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions		
A009-Special Projects	-	13,305
P023-Outreach Collaboration Project	-	256
P024-Climate Change Co-ordinator 2015-17	-	25,000
P025-Outreach Phase 2	50,000	-
P026-Strategic Procurement	31,100	-
P028-Regional Capacity Building	104,940	-
Subtotal	<u>186,040</u>	<u>38,561</u>
Unexpended at the close of this reporting period	<u>221,570</u>	<u>143,003</u>
Net increase (decrease) in assets subject to conditions in the current reporting period	<u>78,567</u>	<u>(373,991)</u>

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 3 - EXPENSES

	2016 \$	2015 \$
EMPLOYEE COSTS		
Salaries and Wages	75,887	-
Employee leave expense	6,217	-
Superannuation	7,209	-
Workers' Compensation Insurance	872	-
FBT	2,441	-
Total Operating Employee Costs	<u>92,626</u>	<u>-</u>
 Total Number of Employees	 1	 -
<i>(Full time equivalent at end of reporting period)</i>		
 MATERIALS, CONTRACTS & OTHER EXPENSES		
<u>Prescribed Expenses</u>		
Auditor's Remuneration		
- Auditing the financial reports	1,683	1,650
Subtotal - Prescribed Expenses	<u>1,683</u>	<u>1,650</u>
 <u>Other Materials, Contracts & Expenses</u>		
Contractors & Consultants	220,098	732,691
Legal Fees	8,639	-
Unleaded Fuel	3,410	9
Grants	-	25,000
Members Allowances & Support	6,024	4,176
Meetings & Conferences	3,175	5,064
Insurance	7,585	5,701
Rental - Premises	3,182	-
Advertising	2,093	-
Sundry	8,852	22,410
Subtotal - Other Materials, Contracts & Expenses	<u>263,058</u>	<u>795,051</u>
	<u>264,741</u>	<u>796,701</u>
 DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Motor Vehicle	3,243	850
	<u>3,243</u>	<u>850</u>

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2016 \$	2015 \$
PROPERTY, PLANT & EQUIPMENT		
<i>Assets surplus to requirements</i>		
Proceeds from disposal	-	15,455
Less: Carrying amount of assets sold	-	28,057
Gain (Loss) on disposal	-	(12,602)

Note 5 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS

Cash on Hand and at Bank	21,879	20,979
Deposits at Call	534,904	520,846
	556,783	541,825

TRADE & OTHER RECEIVABLES

Accrued Revenues	2,610	2,873
Debtors - general	-	40,235
Other levels of Government	115,434	-
GST Recoupment	4,421	21,185
Prepayments	1,591	-
	124,056	64,293

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

		2015 \$				2016 \$			
	Fair Value Level	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Note 7 - PROPERTY, PLANT & EQUIPMENT									
Motor Vehicle		-	-	-	-	-	33,353	(3,243)	30,110
Software		-	772	(772)	-	-	772	(772)	-
TOTAL PROPERTY, PLANT & EQUIPMENT		-	772	(772)	-	-	34,125	(4,015)	30,110
Comparatives		-	36,687	(7,780)	28,907	-	772	(772)	-

	2015	CARRYING AMOUNT MOVEMENTS DURING YEAR								2016
	\$	\$								\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	CARRYING AMOUNT
New/Upgrade		Renewals	In				Out			
Note 7 - PROPERTY, PLANT & EQUIPMENT										
Motor Vehicle	-	33,353	-	-	(3,243)	-	-	-	-	30,110
Software	-	-	-	-	-	-	-	-	-	-
TOTAL PROPERTY, PLANT & EQUIPMENT	-	33,353	-	-	(3,243)	-	-	-	-	30,110
Comparatives	28,907	-	-	(28,057)	(850)	-	-	-	-	-

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 8 - LIABILITIES

	2016		2015	
	\$		\$	
TRADE & OTHER PAYABLES	Current	Non-current	Current	Non-current
Goods & Services	317	-	2,420	-
Accrued expenses - employee entitlements	5,069	-	-	-
Accrued expenses - Contractors	-	-	41,457	-
GST & PAYG	13,542	-	-	-
	<u>18,928</u>	<u>-</u>	<u>43,877</u>	<u>-</u>
<i>Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date.</i>	-	-	-	-
PROVISIONS				
Employee entitlements (including oncosts)	6,060	155	-	-
	<u>6,060</u>	<u>155</u>	<u>-</u>	<u>-</u>

Note 9 - RESERVES

OTHER RESERVES	1/7/2015	Transfers to		30/6/2016
		Reserve	Reserve	
General Reserve	31,093	-	-	31,093
1 A009-Special Projects	17,341	-	-	17,341
2 P003-Waste Management	16,273	-	-	16,273
3 P009-Climate Change	4,761	-	-	4,761
4 P015-Local Government Reform	320,000	-	(208,952)	111,048
5 P022-Roads & Transport	26,705	-	(127)	26,578
6 P023-Outreach Collaboration Project	52,923	-	(52,923)	-
7 P024-Climate Change Co-Ordinator 2015-17	25,000	-	(5,471)	19,529
8 P025-LG Outreach Phase 2	-	50,000	-	50,000
9 P026-Strategic Procurement	-	31,100	-	31,100
10 P027-LG Reform - Incentive Risk	-	160,000	-	160,000
11 P028-Regional Capacity Building	-	104,940	-	104,940
TOTAL OTHER RESERVES	<u>494,096</u>	<u>346,040</u>	<u>(267,473)</u>	<u>572,663</u>
<i>Comparatives</i>	<u>849,494</u>	<u>57,154</u>	<u>(412,552)</u>	<u>494,096</u>

Central Local Government Region of SA Inc
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 9 - RESERVES (Continued)

PURPOSES OF RESERVES

Other Reserves

- 1 A007-Special Projects**
LGA funded support programme
- 2 P003-Waste Management**
State Government funded technical support programme
- 3 P009-Climate Change**
Regional Partners and State Government funded programme
- 4 P015-Local Government Reform**
CLGR funded programme - Council Shared Services
- 5 P022-Roads & Transport**
CLGR funded programme - Regional Development Australia Freight Strategy
- 6 P023-Outreach Collaboration Project**
Federal Government funded programme
- 7 P024-Climate Change Co-ordinator 2015-17**
Regional Partners and State Government funded programme
- 8 P025-LG Outreach Phase 2**
LGA funded programme
- 9 P026-Strategic Procurement**
LGA funded programme
- 10 P027-LG Reform - Incentive Risk**
CEO Performance fund
- 11 P028-Regional Capacity Building**
Region rubble royalty % returned for project allocation 2016/17

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2016 \$	2015 \$
Total cash & equivalent assets	5	556,783	541,825
Balances per Cash Flow Statement		556,783	541,825

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

Net Surplus (Deficit)	123,565	(312,465)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	3,243	850
Net increase (decrease) in unpaid employee benefits	11,284	-
Net (Gain) Loss on Disposals	-	12,602
	138,092	(299,013)
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(59,763)	55,511
Net increase (decrease) in trade & other payables	(30,018)	20,629
Net Cash provided by (or used in) operations	48,311	(222,873)

(c) Non-Cash Financing and Investing Activities

-	-
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(d) Financing Arrangements

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

Corporate Credit Cards	2,000	2,000
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Note 12 - FUNCTIONS

The activities of the Region are categorised into the following programmes

- 1 A009-Special Projects
- 2 P003-Waste Management
- 3 P009-Climate Change
- 4 P015-Local Government Reform
- 5 P022-Roads & Transport
- 6 P023-Outreach Collaboration Project
- 7 P024-Climate Change Co-Ordinator 2015-17
- 8 P025-LG Outreach Phase 2
- 9 P026-Strategic Procurement
- 10 P027-LG Reform - Incentive Risk
- 11 P028-Regional Capacity Building

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

Central Local Government Region of SA Inc
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 13 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call	Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned. Short term deposits are available on 24 hour call with the LGFA and has an interest rate of 1.75% as at 30 June 2016. Carrying amount: approximates fair value due to the short term to maturity.
Receivables -Trade and Other Debtors	Accounting Policy: Carried at nominal value. Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments. Carrying amount: approximates fair value (after deduction of any allowance).
Liabilities - Creditors and Accruals	Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Region. Terms & conditions: Liabilities are normally settled on 30 day terms. Carrying amount: approximates fair value.

Liquidity Analysis

2016	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	556,783	-	-	556,783	556,783
Receivables	124,056	-	-	124,056	124,056
Total	680,839	-	-	680,839	680,839
Financial Liabilities					
Payables	13,859	-	-	13,859	13,859
Total	13,859	-	-	13,859	13,859

2015	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	541,825	-	-	541,825	541,825
Receivables	64,293	-	-	64,293	64,293
Total	606,118	-	-	606,118	606,118
Financial Liabilities					
Payables	2,420	-	-	2,420	2,420
Total	2,420	-	-	2,420	2,420

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

Risk Exposures

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

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

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

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

Central Local Government Region of SA Inc

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2016 \$	2015 \$
Income	484,175	497,688
less Expenses	<u>360,610</u>	<u>797,551</u>
Operating Surplus / (Deficit)	123,565	(299,863)
<i>less Net Outlays on Existing Assets</i>		
Depreciation, Amortisation and Impairment	(3,243)	(850)
	(3,243)	(850)
<i>less Net Outlays on New and Upgraded Assets</i>		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	33,353	-
Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	-	(15,455)
	<u>33,353</u>	<u>(15,455)</u>
Net Lending / (Borrowing) for Financial Year	<u>93,455</u>	<u>(283,558)</u>

Central Local Government Region of SA Inc.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 19 - JOINT VENTURES & ASSOCIATED ENTITIES

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

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

The Region has no interest in Joint Ventures or Associated Entities.

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

Central Local Government Region of SA Inc.

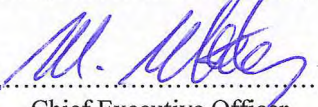
ANNUAL FINANCIAL STATEMENTS


FOR THE YEAR ENDED 30 June 2016


CERTIFICATION OF AUDITOR INDEPENDENCE


To the best of our knowledge and belief, we confirm that, for the purpose of the audit of The Central Local Government Region of South Australia Incorporated for the year ended 30 June 2016, the Council's Auditor, Ian G McDonald has maintained his independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

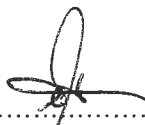
This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.


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Chief Executive Officer
The Barossa Council

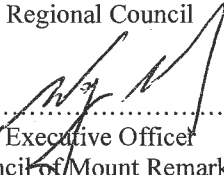

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Chief Executive Officer
District Council of Barunga West


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Chief Executive Officer
Clare and Gilbert Valleys Council

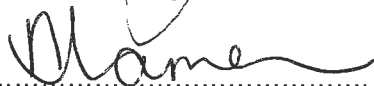

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Chief Executive Officer
District Council of the Copper Coast

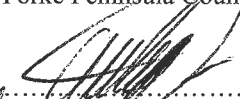

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Chief Executive Officer
The Flinders Ranges Council


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Chief Executive Officer
Light Regional Council



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Chief Executive Officer
District Council of Mount Remarkable



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Chief Executive Officer
Port Pirie Regional Council



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Chief Executive Officer
Yorke Peninsula Council



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Chief Executive Officer
Wakefield Regional Council



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Chief Executive Officer
Regional Council of Goyder


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Chief Executive Officer
District Council of Mallala


.....
Chief Executive Officer
Northern Areas Council


.....
Chief Executive Officer
District Council of Orroroo-Carrieton


.....
Chief Executive Officer
District Council of Peterborough


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

Ian G McDonald FCA



Central Local Government Region of South Australia Inc

ANNUAL FINANCIAL STATEMENTS For the year ended 30 June 2016

STATEMENT BY AUDITOR

We confirm that, for the audit of the financial statements of the Central Local Government Region of South Australia Inc for the year ended 30 June 2016, we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in black ink, appearing to read 'Ian McDonald'.

Ian G McDonald FCA

Dated this 17th day of August 2016

Independent Audit Report to the Members of the Central Local Government Region of SA Inc.

We have audited the accompanying financial report of the Central Local Government Region of SA Inc. which comprises the statement of financial position as at 30 June 2016, statement of comprehensive income, statement of changes in equity, statement of cash flows, summary of significant accounting policies, other explanatory notes and the certification of the financial statements.

Chief Executive Officer's Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

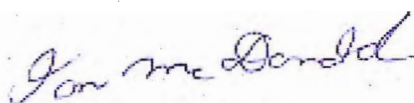
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Central Local Government Region of SA Inc. as of 30 June 2016, and of its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011.



Ian G McDonald FCA
Registered Company Auditor

Signed 21st day of September 2016, at Adelaide, South Australia



FLINDERS REGIONAL DEVELOPMENT ASSESSMENT PANEL

ANNUAL REPORT 2015-2016

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

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

During the course of the 2015-2016 Financial Year, the Panel met on four (4) occasions to consider a total of nine (9) applications.

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

Panel Member Attendance				
Member	Meetings Eligible to Attend	Present	Apology	Absent without Apology
Ms Shanti Ditter	4	4	0	0
Cllr Garry Thompson (FRC)	4	4	0	0
Cllr Colin Nottle (DCMR)	4	4	0	0
Cllr Ralph Goehring (DCOC)	4	2	2	0
Cllr Frank Hardbottle (DCP)	4	4	0	0

Panel Activity						
Constituent Council	App's Referred to Panel	Approved	Refused	Appealed	Withdrawn by Applicant	Deferred
The Flinders Ranges Council	1	1	0	0	0	0
District Council of Mount Remarkable	6	6	0	0	0	0
District Council of Orroroo Carrieton	1 (3 times)	0	1	0	0	2
District Council of Peterborough	1	1 (for 12 mths)	0	0	0	0
Totals	9	8	1	0	0	2

Peter McGuinness
Public Officer