



CITY OF  
**Salisbury**



# Annual Report

2013/14

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# From the City of Salisbury's Mayor



The City of Salisbury has completed another year of major achievements in governance and service delivery to promote business investment and prosperity, progress sustainable urban development, and enhance quality of life for our community.

For the sixth consecutive year, Council has budgeted for a surplus allowing us to invest in building and asset renewal, expand open space opportunities, and create new or upgraded sporting and recreational facilities.

A major showpiece of our performance has been the revitalisation of Salisbury City Centre and the appealing redevelopment of Civic Square, which has been widely utilised since its opening in February. This included the presentation of the Secret Garden program as part of the Adelaide Fringe Festival.

This annual report documents a large number of achievements that reflect the visionary and progressive characteristics of the City of Salisbury and its commitment to outstanding leadership and service excellence.

Council's plans have been advanced and delivered in close collaboration with the community as we work together to develop our built and natural assets, encourage pride of place and promote a strong sense of belonging.

Together, our Council – including Elected Members, management, staff and volunteers – our businesses, and our residents are creating an exciting future as an innovative, inclusive and energetic city.

I have lived in the City of Salisbury for nearly 50 years, and I have experienced on a daily basis a 'can do' attitude and resilience that defines our community and our social identity. If there is a challenge that is worth tackling, Salisbury is up to it!

Our record of achievement over recent decades speaks for itself in terms of landscape transformation, environmental sustainability, economic management, social inclusion, housing affordability and a constant improvement trajectory in services, facilities and amenity.

We are supporting existing businesses and attracting new enterprises that share our vision and goals, and this will help to create new growth opportunities and jobs for local people.

I have enormous pride in calling Salisbury home and one of my most enjoyable activities during the past year has been to attend ceremonies where hundreds of people from cultural and linguistically diverse backgrounds have embraced Australian citizenship. They enrich our city.

We are a friendly and engaging community, and this is illustrated in so many ways including the City Pride Strategy and the Reconciliation Action Plan (RAP) that were released during the year. Salisbury's RAP has received endorsement from Reconciliation Australia and is one of only three Local Government RAPs in South Australia and one of 36 within Australia. Our Indigenous community provides us with living links to the past that are so important and meaningful as we strive to build a safe and thriving future that we can all share and enjoy.

With the support of so many community-based organisations and volunteers, we have developed an age friendly city in which older people are encouraged to stay active, engaged and as independent as possible.

Our younger people have many opportunities for healthy involvement in sport and recreation, education and career development. They are growing up knowing that Salisbury is a great place to live and work.

Over the past year, we have strengthened the economic foundation and functions of Council on behalf of the people we serve. This will allow us to build on our achievements and address in a timely and collaborative way any challenges that may impact on the way we want our city to look and operate.

A handwritten signature in black ink, reading "Gillian Aldridge". The signature is written in a cursive, flowing style.

Gillian Aldridge  
Mayor

# From the City of Salisbury's CEO



In 2013/14 our focus continued to be on building opportunities for our community and business sectors to deliver outcomes for the overall benefit of the City of Salisbury.

A key driver of our commitment to this vision is to ensure our activities, projects and services are properly targeted and resources best applied. We regularly review our organisational direction to ensure it is reflective of the current environment and aligned with our community's needs and aspirations as broadly detailed in Council's City Plan.

This work has resulted in the preparation of two key publications this year; Our Community Priorities and Strength in Diversity. These documents articulate actions required to address opportunities and transformations that are occurring in our City, particularly in the manufacturing and automotive sectors.

Our processes, systems and service provisions are also reviewed as a part of our commitment to continuous improvement and ensuring that we remain on track. This enables Salisbury to be agile in responding to the needs and expectations of all sectors within our community.

It is about constantly improving what we do while giving our community increased opportunities and choices. For example, through our recognition of the role sporting clubs play in strengthening our community and the need for this to continue, we have made significant new investments in council-owned sporting and recreation buildings and reserves, including the provision of solar panels. This integrated approach to improving the quality of our assets has the dual benefits of helping to offset rising operating costs for clubs and ensuring that playing facilities remain usable throughout the year.

Council is refreshing its biodiversity corridors with extensive plantings of native trees and shrubs, while also extending the reach of our recycled stormwater system to irrigate sporting parks, open spaces and reserves making them more accessible and appealing.

We are also facilitating residential expansion through our strategic property development agenda. The design and development of these subdivisions include access to affordable housing and quality open space that will be supplemented by recycled water. Examples include the developments occurring at Walpole Road, Whites Road and Diment Road.

We are committed to stimulating economic and employment growth by facilitating opportunities for investment across all sectors, which is particularly important for the manufacturing and automotive sectors of our economy that are undergoing a period of transformation. This is done by ensuring land is appropriately zoned, and by working with investors to create opportunities for their development initiatives. Our support of the Polaris Centre and the Northern Economic Leaders Forum is also helping build economic development, which all combine to continue making Salisbury a destination for investment.

I believe one of the greatest strengths and defining features of our community is its capacity to support its members and build resilience and self-reliance within individuals and community groups. This is showcased by events such as Harmony Day, NAIDOC Week and our Citizenship Ceremonies. Furthermore, we have developed and are implementing our City Pride Agenda, which in part builds on the community's strengths to deliver projects that reinforce the importance of community.

Salisbury will continue to innovate and embed economic, environmental and community outcomes into projects. As a Council we recognise our responsibility and accountability to the community to build a better future for the City of Salisbury by responding rapidly to changing economic and social conditions through relevant policies, practices and actions.

A handwritten signature in black ink, appearing to read 'John Harry', written over a thin horizontal line.

John Harry  
Chief Executive Officer



# Salisbury City Plan - Sustainable Futures

## Salisbury's City Plan

The Salisbury City Plan 2020 - *Sustainable Futures* establishes what and who we are, and what we as a community would like to become. It presents a myriad of opportunities for the Council and its stakeholders, along with the obstacles and challenges to be overcome to be successful.

The City Plan is supported by four Key Directions:

- *The Prosperous City* (Economic Development Strategy)
- *The Sustainable City* (Environmental and Climate Change Strategy)
- *The Living City* (Community Development Strategy)
- *Achieving Excellence* (Organisational Excellence Strategy)

*Sustainable Futures* reflects the importance of long-term sustainability for the city in all of its aspects.

## Salisbury's Planning Framework

The City of Salisbury has structured its planning process around the four Key Directions presented within the City Plan.

This chart illustrates the relationship of the high level strategic directions with the State Strategic Plan and Planning Strategy and the action plans for supporting Council's annual budget.

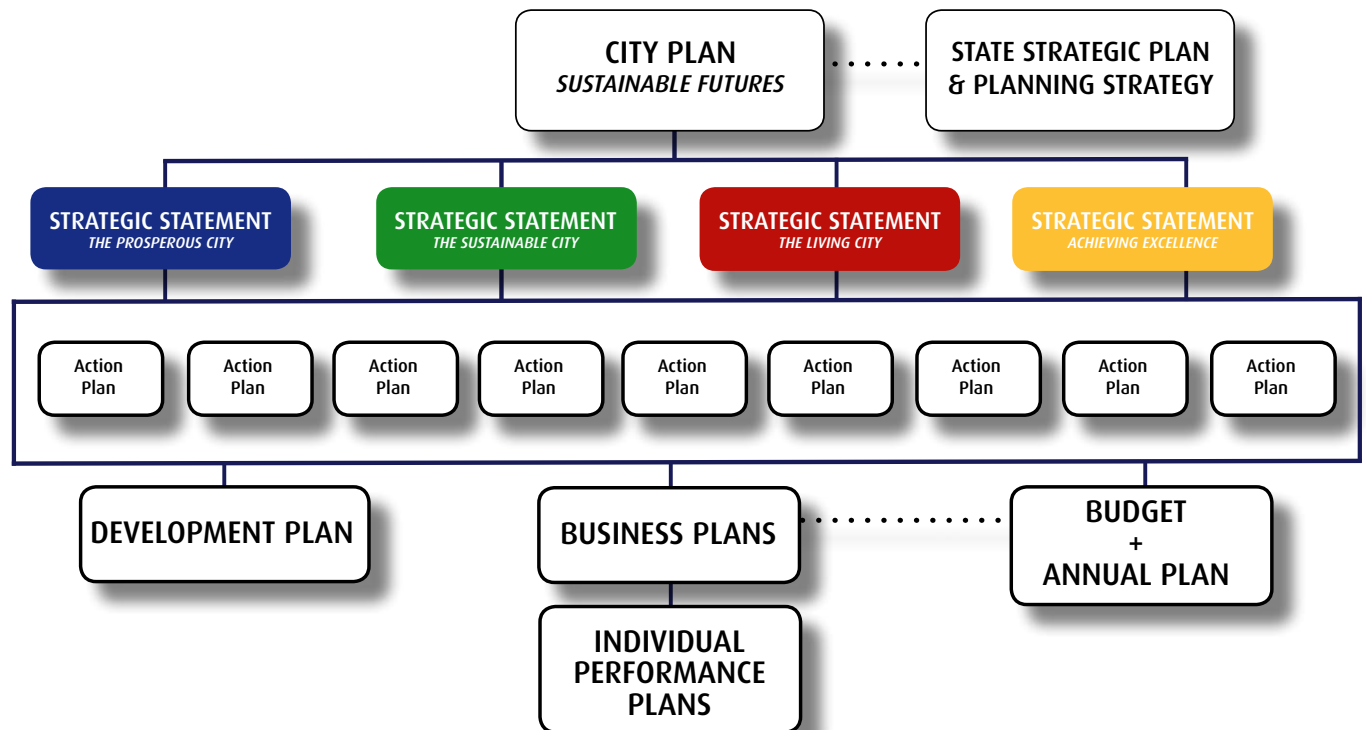
## Our Community and Economy

Salisbury is the second largest Local Government community in South Australia with more than 134,300 residents.

Our community is diverse and growing rapidly. Between the 2001 and 2006 Census, Salisbury's population grew by almost three per cent. Our community is also changing. In the next 15 years, Salisbury's percentage of seniors is set to treble.

Our population is also very diverse with some 30 per cent of residents born overseas and about 56 different cultural groups represented. Salisbury also has a higher percentage of Indigenous residents than most metropolitan Councils in Australia.

Salisbury is also the State's most productive manufacturing region, the source of considerable innovation, and it has undergone unprecedented residential and commercial growth.



# The City's Vision, Values and Key Directions



## Our Vision

Our vision is for 'excellence in building a community of opportunity and spirit in a quality environment'.

## Our Values

### *Sustainability:*

We will balance economic, social, cultural and environmental factors with a longer term perspective to ensure the sustainability of the organisation and our community.

### *Community and Customer Service:*

We will seek to understand our community and customer expectations. We will listen to their needs and respond to their changing requirements.

### *Professional Performance:*

We will strive to be a leader in Local Government emphasising best practice and innovation.

### *Probity, Ethics and Accountability:*

We will act with honesty and integrity and be open and transparent in our decision-making.

### *Access, Equity and Inclusion:*

We will celebrate our diverse community in which people, regardless of their race, culture, religion, age, gender or level of ability can participate and have access to the services and processes of the Council.

## Our Key Directions

### *The Prosperous City:*

Supporting the future prosperity of our city.

### *The Sustainable City:*

Providing built and natural environments that are sustainable and resilient.

### *The Living City:*

Encouraging and supporting a thriving and connected community.

### *Achieving Excellence:*

Enhancing and sustaining organisational capacity.

# Annual Plan 2014/15

## Annual Plan 2014/15

In 2014/15 the City of Salisbury will place great emphasis on flood mitigation works with more than \$750,000 allocated in addition to miscellaneous minor capital drainage works.

More than \$1 million will be spent on mitigating the risk of localised flooding in close proximity to Lake Windemere, as the lake and surrounding levees at present can only contain up to a 1 in 10 year storm event. A combined flood mitigation and stormwater harvesting and reuse scheme will also be established at Bridgestone Park, Salisbury South.

Upgrading open spaces and the amenity of the City continues to be a focus, along with the dog park upgrade program being accelerated and inclusive of disability access.

An irrigation activation program has been established to irrigate turf areas at 35 neighbourhood reserves, which spans both 2013/14 and 2014/15 financial years, while the City Pride Street Trees Program will focus on improving the amenity of the City through the management of existing street trees with consideration of species that are more appropriate to the space provided within our streets.

A four-year program, which commenced in 2013/14, will also see the upgrade of 14 reserves across the City.

There is increased provision of funding to improve the maintenance of council buildings, including an increase in painting maintenance activities. The rollout of standardised disinfection treatment systems at all Salisbury Water distribution schemes will provide additional treatment to meet water quality guidelines for supply to customers.

## Features of the 2014/15 Budget

The 2014/15 budget delivers:

- The commencement of the St Kilda Playground Renewal Project
- Utilisation of the Council's recycled water to assist in greening the City
- Continuation of the solar panel program roll out
- Upgrades to the Heyford and Illberry reserves
- Further development of the Green Trails network across the City, which follows Little Para and Dry Creek corridors

This year's budget continues to build upon the work Council has recently undertaken to increase and improve the provision of open space, and looks to create a greener, healthier and appealing community full of opportunity and optimism.

Environmental initiatives in 2014/15 include:

- Watercourse Management Plan Works: \$675,000
- Neighbourhood Reserve Irrigation Activation: \$241,000
- City Pride – Street Trees Program: \$712,000
- Resource Recovery Park (RRP): \$560,000
- Water for the Future 3: Cobbler Creek Integrated Flood Mitigation, Harvesting and Reuse Scheme: \$1,615,000
- Salisbury Water Disinfection System: \$500,000
- Local Flooding Program: \$751,000
- Lake Windemere - Flood Mitigation & Landscape Works: \$1,100,000



For the community there are a range of programs which will improve outdoor areas for families, sporting clubs and community centres:

- Building Renewal program: \$1,271,000
- Road Reseal / Reconstruction Program: \$8,023,000
- Council Funded New Footpath Program: \$450,000
- City Wide Trails Program: \$486,000
- Capital Upgrade Program for Sport & Recreation Buildings: \$1,885,000
- Play Space / Playground Program: \$375,000
- Council Reserve Upgrade Program: \$276,000
- St Kilda Playground Renewal Project: \$183,000
- Sportsfield Lighting Assistance Program: \$150,000
- Club / Sporting Facility Upgrades Program (Minor Capital Works): \$271,000

Council's new initiatives included in the Annual Plan are:

- Council Building Renewal Program: \$640,000
- Salisbury Water Disinfection Systems: \$220,000
- Neighbourhood Reserve Irrigation Activation: \$102,000

# Annual Plan 2014/15

## Rate Increase

For 2014/15 Council has determined an average rate increase of 3.25 per cent.

Significant factors placing pressure on the budget include:

- A real decrease in Commonwealth Financial Assistance Grant of \$500,000
- The negative impact of lower development growth
- The loss of \$688,000 in Supplementary Local Road Funding

## Differential Rating

The rate for vacant land is 30 per cent higher than that for residential property which reflects Council's desire to promote the development of large land holdings in the city.

## Features of the 2014/15 Budget

OPERATING BUDGET BY KEY DIRECTION	2014/15		
	EXP \$000's	INC \$000's	NET \$000's
<b>THE PROSPEROUS CITY</b>			
Economic Development	1,171	230	941
Development Management	2,777	1,003	1,774
Urban Planning	1,326	-	1,326
Roads	4,198	2,553	1,645
Footpaths	1,684	-	1,684
City Infrastructure	-	10	(10)
<b>TOTAL THE PROSPEROUS CITY</b>	<b>11,092</b>	<b>4,845</b>	<b>6,247</b>

<b>THE SUSTAINABLE CITY</b>			
Water Management	3,961	1,919	2,042
Waste Management	15,213	1,422	13,791
Parks and Landscape	16,411	182	16,229
City Infrastructure	-	229	(229)
<b>TOTAL THE SUSTAINABLE CITY</b>	<b>35,585</b>	<b>3,752</b>	<b>31,833</b>

<b>THE LIVING CITY</b>			
Community Development	2,598	13	2,584
Recreation Centres	3,982	2,060	1,922
Community Sport and Club Facilities	2,074	-	2,074
Libraries and Community Centres	7,338	971	6,366
Healthy Ageing and Access	4,505	2,780	1,725
Cemetery	557	432	125
Food and Health Regulation	1,176	188	988
Parking and Bylaws Control	660	300	360
Dog Control	1,581	1,183	398
Crime Prevention and Repair	724	-	724
Street Lighting	2,502	-	2,502
<b>TOTAL THE LIVING CITY</b>	<b>27,694</b>	<b>7,927</b>	<b>19,767</b>

<b>ACHIEVING EXCELLENCE</b>			
Corporate Services	16	976	(960)
Sundry	3,251	7,159	(3,909)
Infrastructure Depreciation	19,236	-	19,236
<b>TOTAL ACHIEVING EXCELLENCE</b>	<b>22,503</b>	<b>8,136</b>	<b>14,367</b>
Capital Works and Project Preparation	1,263	-	1,263
Corporate Unallocated	5,763	-	5,763
Corporate Governance Overhead	2,489	-	2,489
Rate Revenue	-	83,154	(83,154)
<b>TOTAL OPERATING SURPLUS/ (DEFICIT)</b>	<b>106,452</b>	<b>106,765</b>	<b>313</b>



# Elected Members July 2013 - June 2014

## MAYOR



Gillian Aldridge

## CENTRAL WARD



Cr David Balaza



Cr Betty Gill



Cr Joe Caruso



Cr Damien Pilkington

## EAST WARD

## HILLS WARD



Cr Jana Isemonger



Cr Shiralee Reardon

## LEVELS WARD



Cr Brian Goodall



Cr Brad Vermeer

## NORTH WARD



Cr Linda Caruso



Cr Alex Coates

## PARA WARD



Cr Mirella Honner



Cr Riccardo Zahra

## SOUTH WARD



Cr Sean Bedford



Cr Julie Woodman

## WEST WARD



Cr Chad Buchanan

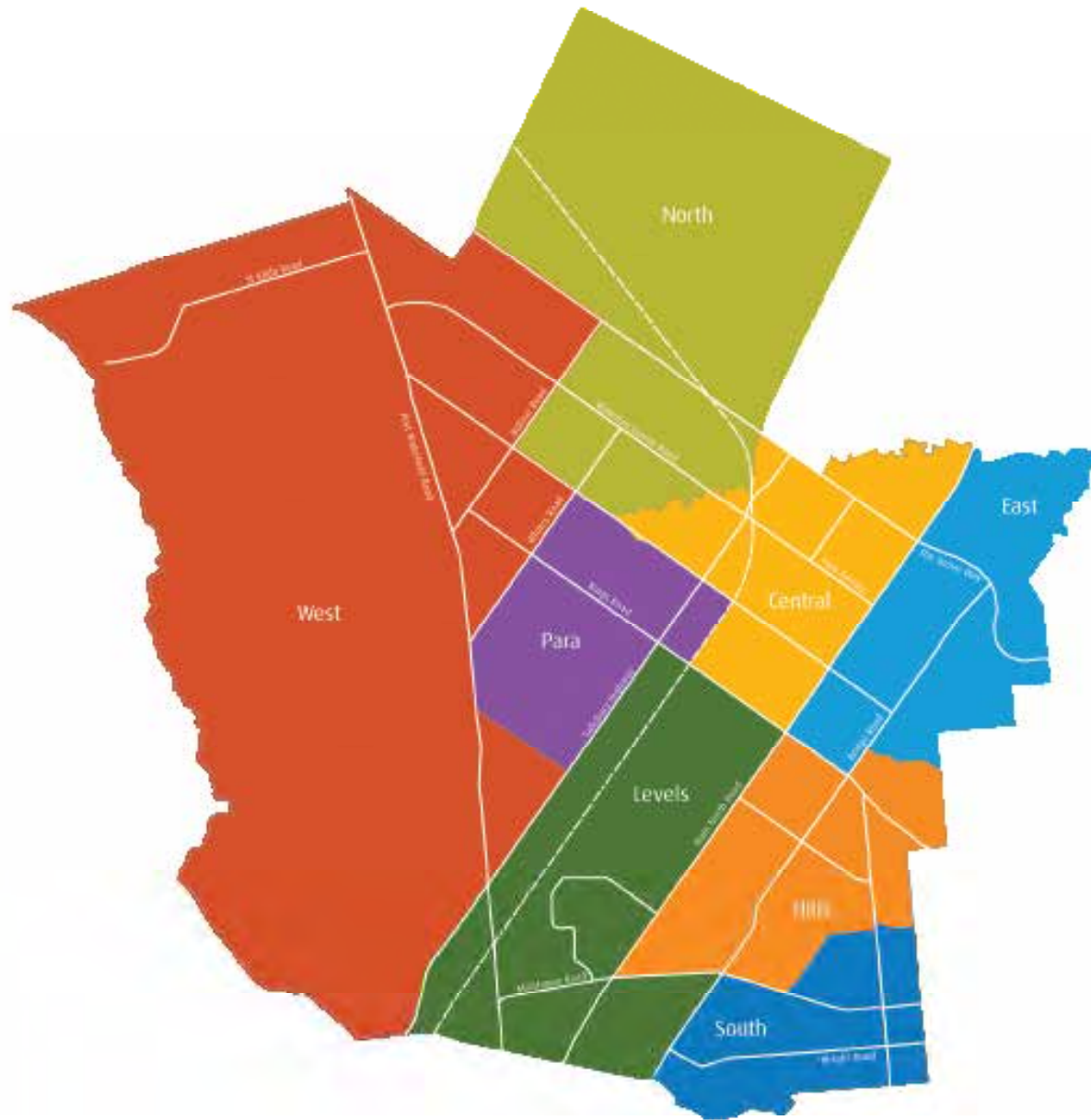


Cr Donna Proleta



# Ward Boundaries

-  North Ward
-  West Ward
-  Central Ward
-  Para Ward
-  East Ward
-  Levels Ward
-  Hills Ward
-  South Ward



# Council

## Elector Representation

The community of Salisbury is represented on Council by a Mayor who is elected from the whole community, and 16 Elected Members. Elected Members represent one of eight wards, and are elected by the residents of their ward.

In accordance with Section 12 of the Local Government Act 1999, a Council is required to conduct an Elector Representation Review at least once in every eight years. The City of Salisbury last conducted a Representation Review in 2009/10, in readiness for the November 2010 Local Government Elections.

The Representation Review did not result in any change to the number of wards or Elected Members in the City of Salisbury; however, Ward Boundaries were adjusted to ensure a balanced and appropriate representation quota within each ward.

The representation quota for the City of Salisbury, that is the number of electors represented by each Councillor, is shown in the table. Comparative data for other major metropolitan Councils in Adelaide has also been included<sup>1</sup>.

Council	Elected Members <sup>2</sup>	Electors	Representation Quota <sup>3</sup>
Salisbury	17	86990	5117
Playford	16	52622	3288
West Torrens	15	39000	2600
Charles Sturt	17	77712	4571
Port Adelaide/Enfield	18	76048	4224
Marion	13	60882	4683
Onkaparinga	21	115087	5480
Tea Tree Gully	13	71118	5470
Metropolitan Average <sup>4</sup>	14	44518	2974

<sup>1</sup> Data supplied by the Local Government Association.

<sup>2</sup> Including the Mayor.

<sup>3</sup> Representation quota for a Council is an amount ascertained by dividing the number of electors for the area of the Council (as at the last closing date under the Local Government (Elections) Act 1999) by the number of members who constitute the Council (ignoring any fractions resulting from the division and expressed as a quota). Local Government Act 1999, Schedule 4.

<sup>4</sup> Based on 19 metropolitan Councils, including the City of Adelaide.

## Elected Members

(July 2013 - June 2014)

Mayor:	Gillian Aldridge JP
Central Ward:	Cr David Balaza Cr Betty Gill JP
East Ward:	Cr Joe Caruso Cr Damien Pilkington
South Ward:	Cr Sean Bedford Cr Julie Woodman JP
Hills Ward:	Cr Jana Isemonger JP Cr Shiralee Reardon JP
Para Ward:	Cr Mirella Honner Cr Riccardo Zahra
North Ward:	Cr Linda Caruso Cr Alex Coates JP (Deputy Mayor November 2013 – Current)
Levels Ward:	Cr Brian Goodall Cr Brad Vermeer
West Ward:	Cr Chad Buchanan JP (Deputy Mayor November 2012 – November 2013)
	Cr Donna Proleta

## Elected Member Allowances

Changes to the Local Government Act in 2010 resulted in the Remuneration Tribunal being responsible for the determination of Elected Member Allowances to be applied from the first Council Meeting following the November 2010 Elections. Elected Member allowances as determined by the Remuneration Tribunal in Determination No. 6 of 2010: Members of the City of Salisbury Council are as follows:

Councillor	\$18,593 per annum
Mayor	\$74,372 per annum
Deputy Mayor	\$23,241 per annum
Chairman of Standing Committees	\$23,241 per annum

In accordance with section 76(9) and 76(15) of the Local Government Act, allowances set out in Determination No. 6 of 2010: Members of Local Government Councils will be adjusted annually on the first, second and third anniversary of the 2010 local government election to reflect changes in the Consumer Price Index, where the Consumer Price Index is defined as "the Consumer Price Index (All groups index for Adelaide) Published by the Australian Bureau of Statistics (section 76(15) Local Government Act).local government elections as per section 76(8) of the Local Government Act.

In addition to an allowance, Elected Members are provided with resources to assist in the representation of their Community and conducting Council business. This includes an Apple iPad, laptop computer and printer, broadband internet access, stationery and business cards. The Mayor has access to a personal assistant and is provided with a mobile phone and car. The Elected Members Allowances, Facilities and Support Policy provides full details of resources (including reimbursement of expenses) provided to Elected Members.

# Council

## Elected Members Representation on External Bodies

Below is a table showing representation on external bodies by Elected Members during the past financial year:

<b>Gillian Aldridge JP (Mayor)</b>	Local Government Association (Voting Delegate)
	Local Government Association State Executive Committee (Member)
	Boundary Adjustment Facilitation Panel
	Mawson Lakes Community Trust Fund
	Metropolitan Local Government Group
<b>Cr David Balaza</b>	Northern Adelaide Waste Management Authority Board (Deputy Member until December 2012 and then full member)
	Salisbury Town Centre Association
	Salisbury Park Primary School Governing Council
	SA Fruit Fly Standing Committee
<b>Cr Sean Bedford</b>	Valley View Secondary High School Governing Council
<b>Cr Chad Buchanan JP</b>	Metropolitan Seaside Councils' Committee
<b>Cr Giuseppe (Joe) Caruso</b>	Salisbury East High School Governing Council
<b>Cr Linda Caruso</b>	Northern Adelaide Waste Management Authority (NAWMA) Board Member (concluded December 2012)
	Local Government Finance Authority of SA (Voting Delegate)

<b>Cr Alex Coates JP</b>	Bagster Road Community Centre Management Committee
	Burton Park Community Centre Board
	Neighbourhood Watch
	Paralowie R-12 School Governing Council
	Salisbury High School Governing Council
	Lake Windemere B-7 School Interim School Council
	ANZAC 2015 Salisbury Advance Working Party
<b>Cr Elizabeth (Betty) Gill JP</b>	ANZAC 2015 Salisbury Education Working Party
	Australian Local Government Women's Association – President (SA Branch)
	Northern Adelaide Waste Management Authority (NAWMA) Board (Deputy Member)
	Positive Ageing Service Advisory Committee (including the Jack Young Centre and Para Hills Centre) - Chair
	Salisbury Urban Horticultural Centre Steering Committee
<b>Cr Brian Goodall</b>	Northern Adelaide Waste Management Authority (NAWMA) Board – Chairman
	Northern Adelaide Waste Management Authority (NAWMA) Audit Committee
	Mawson Centre Board
	Parafield Airport Consultative Committee
<b>Cr Mirella Honner</b>	Nil

<b>Cr Jana Isemonger JP</b>	Transport Accessibility Advisory Group
	Counsellor Advisory Council – Lyell McEwin Hospital
	Paddocks Community Centre – Management Committee Member
	Para Hills Primary School Governing Council
<b>Cr Damien Pilkington</b>	Salisbury East Neighbourhood Centre
<b>Cr Donna Proleta</b>	Metropolitan Seaside Councils' Committee (Proxy Member)
	Burton Community Centre
<b>Cr Shiralee Reardon JP</b>	Salisbury and District Historical Society
	Para Hills High School Governing Council
	Pooraka Farm Community Centre
<b>Cr Brad Vermeer</b>	Twelve25 Program Reference Group
	Parafield Airport Consultative Committee
	Northern Adelaide Waste Management Authority (NAWMA) Board (Deputy Member) – effective December 2012
<b>Cr Julie Woodman JP</b>	Valley View Secondary High School Governing Council
<b>Cr Riccardo Zahra</b>	Local Government Finance Authority of SA (Deputy Voting Delegate)
	Twelve25 Program Reference Group
	OPAL Salisbury Local Advisory Committee
	Morella Community Centre

# Council

## Elected Members Training and Development

Below is a table showing training and development activities attended by Elected Members during the past financial year:

<b>Gillian Aldridge JP (Mayor)</b>	ICAC Training, Due Diligence Training, Bullying and Harassment Awareness Training, LGA AGM and OGM, President's Federal Election Lunch
<b>Cr David Balaza</b>	ICAC Training, Due Diligence Training, Bullying and Harassment Awareness Training.
<b>Cr Sean Bedford</b>	ICAC Training, Due Diligence Training, Bullying and Harassment Awareness Training, President's Luncheon (in absence of Mayor) The Relationship Between Leases and Work Health Safety Laws.
<b>Cr Chad Buchanan JP</b>	Due Diligence Training.
<b>Cr Giuseppe (Joe) Caruso</b>	ICAC Training, Due Diligence Training, Bullying and Harassment Awareness Training.
<b>Cr Linda Caruso</b>	ICAC Training, Due Diligence Training.
<b>Cr Alex Coates JP</b>	ICAC Training, Due Diligence Training, Bullying and Harassment Awareness Training.

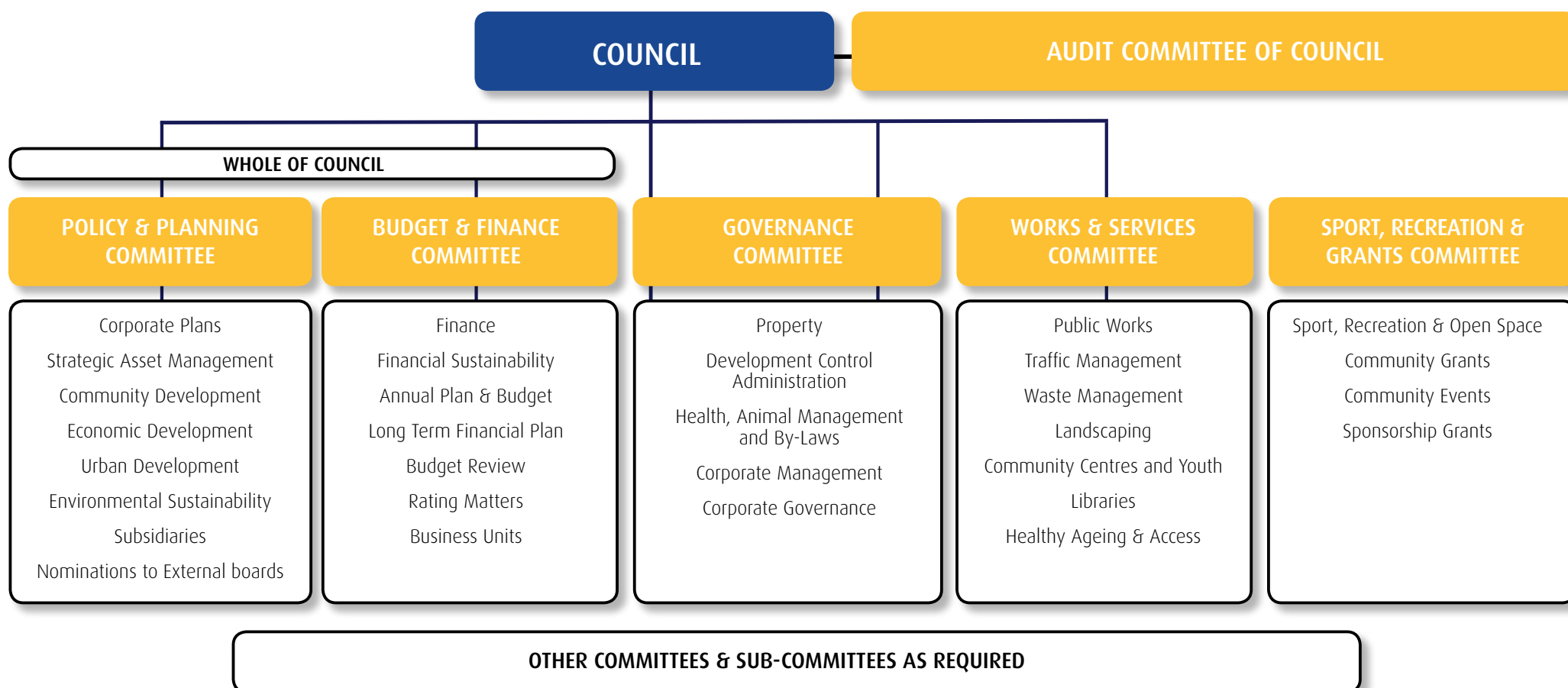
<b>Cr Elizabeth (Betty) Gill JP</b>	ICAC Training, Due Diligence Training, Bullying and Harassment Awareness Training, National General Assembly of Local Government (Canberra), China Forum, LGA Ordinary General Meeting, Australian Local Government Women's Association Breakfast (Canberra).
<b>Cr Brian Goodall</b>	ICAC Training, Due Diligence Training, Bullying and Harassment Awareness Training, China Forum.
<b>Cr Mirella Honner</b>	Due Diligence Training.
<b>Cr Jana Isemonger JP</b>	ICAC Training, Due Diligence Training, Bullying and Harassment Awareness Training.
<b>Cr Damien Pilkington</b>	Due Diligence Training.
<b>Cr Donna Proleta</b>	ICAC Training, Due Diligence Training
<b>Cr Shiralee Reardon JP</b>	Due Diligence Training, Bullying and Harassment Awareness Training, Lunchtime Seminar – Elected Member Conflict of Interest Under the Local Government Act 1999 Panel Discussion.
<b>Cr Brad Vermeer</b>	ICAC Training, Due Diligence Training.
<b>Cr Julie Woodman JP</b>	ICAC Training, Due Diligence Training, Bullying and Harassment Awareness Training, China Forum.
<b>Cr Riccardo Zahra</b>	ICAC Training, Due Diligence Training.

# Council

## Committee Structures

Council is supported in its decision making process by six Standing Committees: Policy & Planning, Budget & Finance, Works & Services, Governance, Sport, Recreation & Grants and Audit Committee. The Sport, Recreation & Grants Committee meet on the second Monday of the month and the remaining standing committees meet on the third Monday of each month. The Audit Committee meets on a quarterly basis. Council had also established a Development Assessment Panel (DAP) as an independent Committee comprising of experts external to Council as well as Elected Members which meet as required.

The Mayor is, ex officio, a member of Works & Services Committee, Governance Committee and Sports, Recreation & Grants Committee. The Committee structure and membership is set out below:





# Council

## *Policy and Planning Committee*

Cr Chad Buchanan (Chairman) December 2013 – Current  
 Cr Linda Caruso (Deputy Chairman) December 2013 to Current  
 Cr Alex Coates (Chairman) December 2012 – November 2013  
 Cr Damien Pilkington (Deputy Chairman) December 2012 – November 2013  
 All members of Council

## *Works and Services Committee*

Cr Riccardo Zahra (Chairman) November 2011 – Current  
 Cr Betty Gill (Deputy Chairman) December 2012 – Current  
 Cr Shiralee Reardon  
 Cr Sean Bedford  
 Cr Joe Caruso  
 Cr Alex Coates  
 Cr Brian Goodall  
 Cr Donna Proleta  
 The Mayor is, ex-officio, a member of this Committee

## *Governance Committee*

Cr Brad Vermeer (Chairman) December 2013 – Current  
 Cr Julie Woodman (Deputy Chairman) December 2013 - Current  
 Cr David Balaza (Chairman) November 2010 – November 2013  
 Cr Mirella Honner (Deputy Chairman) December 2012 – November 2013  
 Cr Chad Buchanan  
 Cr Linda Caruso  
 Cr Jana Isemonger  
 Cr Damien Pilkington  
 Cr Brad Vermeer  
 The Mayor is, ex-officio, a member of this Committee

## *Budget and Finance Committee*

Cr Shiralee Reardon (Chairman) December 2013 – Current  
 Cr Sean Bedford (Deputy Chairman) December 2012 - Current  
 Cr Linda Caruso (Chairman) November 2010 – November 2013  
 All members of Council

## *Sports Recreation and Grants Committee*

Cr Donna Proleta (Chairman) December 2013 – Current  
 Cr David Balaza (Deputy Chairman) December 2013 - Current  
 Cr Brad Vermeer (Chairman) December 2012 – November 2013  
 Cr Shiralee Reardon (Deputy Chairman) December 2012 – November 2013  
 Cr Chad Buchanan  
 Cr Linda Caruso  
 Cr Alex Coates  
 Cr Mirella Honner  
 Cr Riccardo Zahra  
 The Mayor is, ex-officio, a member of this Committee

## *Audit Committee*

Mr Peter Brass – Chairman  
 Mr Allen Bolaffi (until 01/06/2014)  
 Mr Mark McAllister  
 Cr Linda Caruso  
 Cr Shiralee Reardon

## *Development Assessment Panel*

Mr Gavin Lloyd-Jones (Presiding Member)  
 Cr Brian Goodall (Deputy Presiding Member)  
 Ms Vanessa McDougall  
 Mr Roger Freeman  
 Ms Emma Barnes  
 Cr Donna Proleta  
 Cr Shiralee Reardon

## Open and transparent decision making

The City continues to ensure its commitment to open and transparent decision making through minimising the number of decisions it takes in confidence.

In 2013/14 a total of 605 items were considered by Council and Committees. Of these, thirty-four were confidential.

	No. of items considered in confidence	Confidential items as a % of total no. of items considered
2003/04	34	6.30%
2004/05	20	4.00%
2005/06	1	0.20%
2006/07	1	0.20%
2007/08	6	1.00%
2008/09	4	0.80%
2009/10	5	1.19%
2010/11	12	2.15%
2011/12	14	2.33%
2012/13	14	2.54%
2013/14	34	5.61%

Of the thirty-four items where members of the public were excluded, all remained confidential after discussion in confidence had taken place.

Nine confidentiality orders were revoked or expired during 2013/14. Remaining orders will be reviewed internally twice per year and should it be deemed appropriate, the Chief Executive Officer has the delegation to revoke the orders. A total of 51 orders remained operative at the end of 2013/14.



CITY OF  
**Salisbury**



KEY DIRECTION

## the **Prosperous** City

### Objectives

- To have a community with skills that are valued by employers and provide rewarding careers for residents
- To enhance and create quality urban areas with high amenity and integrated infrastructure
- To have a prosperous and adaptive business sector that supports community wellbeing, is globally oriented and creates employment opportunities
- To deliver suitably integrated infrastructure that maximises economic efficiencies and opportunities for the community
- To deliver a regional culture of collaboration

# Key Direction: The Prosperous City

Economic growth is a key factor in shaping a better quality of life for the Salisbury community.

Industry in Salisbury is well positioned to participate in some of the fastest growing market sectors such as electronics, information and communications technology, advanced manufacturing, defence and environmental management.

Policies and actions are necessary to shape the full social and economic potential of the city to create a more prosperous future for our people.

## Skills that provide rewarding careers and are valued by employers

Salisbury's libraries provide training and workshops for students and young adults that contribute to skills development, career prospects and lifelong learning outcomes.

Homework Help at the Len Beadell Library, the SACE Research Project, on-line database and school visits have supported about 350 students.

The Salisbury Digital Hub offers free one-on-one and group technology-focused training. Around 1,120 people have participated in these programs through 97 group sessions and 299 one-on-one sessions.

Delivery of Adult Community Education (ACE) learning opportunities through our community centres and other facilities have been provided with support of State Government grant funding.

Foundation Skills programs focus on building core skills, confidence and capacity. This in turn increases the likelihood of participants moving on to further training, volunteering or employment.

The Foundation Skills programs were delivered across all the community centres, Twelve25 Salisbury Youth Enterprise Centre and the Mawson Centre. Programs were developed with current skills shortages in mind and targeted to those with low literacy levels, along with the under-employed and unemployed.

They provided a diversity of learning options including a wide range of language literacy and numeracy programs with a focus on preparation for work, and introduction to office and career development. Sectors included recreation and sport, retail, children's services, hospitality, cafe and barista programs, blue-collar trades, aged and disability care, and volunteer development.

A total of 3,437 people participated in either accredited or non-accredited programs or both. Of these, 100 went on to volunteering in the community, 277 went on to further study and 110 gained employment within six months.

Overall, the centres provided 140 initiatives that supported employment and education strategies, 102 of which were Foundation Skills Programs.

Twelve25 Salisbury Youth Enterprise Centre is the City of Salisbury's principal youth facility. Its programs have targeted education, employment and enterprise outcomes for people aged between 12 and 25.

The services included Flexible Learning Opportunities with 186 students participating across five different programs linked to the education system.



# Key Direction: The Prosperous City

## Quality urban areas with high amenity and integrated infrastructure

The Salisbury City Centre Renewal Strategy continues to be implemented. The Civic Square upgrade has been completed along with improvements to the Judd Street Laneway. A comprehensive wayfinding strategy has been progressed with new directional signage being installed across the precinct. A business plan has been prepared for the Salisbury City Centre Business Association which provides a three year set of priorities for that group. Advocacy for the upgrade of the Salisbury Interchange has been ongoing.

Work is progressing on a review of the Growth Action Plan that looks at future development opportunities. This document will be integrated with the Transport and Social Infrastructure Plans.

The Salisbury City Centre Renewal Strategy continues to be implemented. The Civic Square upgrade has been completed along with a number of Early Win projects improving the public domain.

## Prosperous and adaptive business sector

A range of business support services is delivered through the Polaris Centre. Information and advice was provided to 940 businesses. The Polaris Centre's annual satisfaction survey found 88% of clients were satisfied with the services provided through the Polaris Centre with 95% saying they would refer other businesses to Polaris. Sixty eight percent of clients were confident about their business prospects for the next 12 months compared to 50% of the general business population.

A range of Federally-funded programs were delivered through Polaris in the last financial year – 127 businesses received intensive support through the Mentoring for Success Program and 55 workshops were held as part of the Digital Enterprise Program. In the 2014 State election campaign \$400,000 was pledged to the Polaris Centre to support entrepreneurs in northern Adelaide in the lead up to the closure of GM Holden.

A partnership with the UniSA provided an opportunity for businesses to develop links to that institution.

As part of this partnership a structured approach has been developed to link manufacturers with research and expertise within the university. There has been a significant focus on engaging with manufacturers and funding was received to deliver a program to inform and link owners of manufacturing businesses with the range of government programs and services on offer.

The Northern Economic Leaders, a group of businesses employing more than 7,000 people in the region, took an active role in advocating for Salisbury, promoted opportunities to develop export markets in China and profiled successful manufacturers who are developing new products and expanding markets.

The Makes Good Business Sense campaign highlighted the advantages of doing business in Salisbury. Sector specific case studies were developed for mining services, manufacturing, knowledge intensive services and food. Council has been proactive in working with firms seeking to relocate to highlight the positive attributes of investing in Salisbury.

## Integrated infrastructure to maximise economic efficiencies and opportunities

Council is continuing to partner with service providers and the private sector to ensure that infrastructure development is timely and orderly.

## Regional culture of collaboration

The City of Salisbury is actively participating in regional initiatives in response to the pending closure of GM Holden. This includes continuing involvement in nc21 Group activities.

The nc21 Group, formerly the Northern Adelaide Regional Collaboration, is a voluntary organisation comprising the Cities of Playford, Salisbury and Tea Tree Gully, the Town of Gawler, Light Regional Council and District Council of Mallala, South Australian and Australian Governments, and community and business organisations. Collaboration partners share a commitment to a prosperous and sustainable future for the communities of northern Adelaide.



Community centres in Salisbury collaborate with a variety of organisations to provide facilities and services at low cost or no cost. They facilitate guest speaking arrangements in programs such as Northern Volunteering, support Foundations Skills students seeking volunteering and work experience, and work with local Children's Services Centres to deliver training and school holiday programs.

The centres also support other organisations in funding applications and accreditation processes. They have representatives on peak bodies working in the wider northern community centre sector, youth support organisations and results-based accountability networks.

In 2013-14, community centres in our city provided more than 2,000 individual referrals and linkages to other organisations.

The Polaris Centre receives funding from the City of Playford to deliver business support services into that Council area. Additionally, the services supported with Federal funding enable mentoring services to be provided across the nc21 region and digital economy training into Tea Tree Gully.





CITY OF  
**Salisbury**



## KEY DIRECTION

# the **Sustainable** City

### Objectives

- To have sustainable and resilient natural environments that support biodiversity and contribute to quality amenity
- To reduce corporate carbon emissions via mitigation as well as optimising renewable energy options
- To reduce resource consumption and minimise waste generation
- To deliver sustainable water management and improve water security for the city
- To have sustainable and resilient built environments that contribute to quality amenity



# Key Direction: The Sustainable City

The City of Salisbury has many outstanding environmental achievements in areas including water conservation, waste management and preservation of open space.

However, our community faces continuing challenges in the quest to achieve economic, environmental and social sustainability and prosperity.

Salisbury, the Sustainable City is a practical and pragmatic local response to those challenges and the impacts at local, statewide, national and global levels.

It is our contribution to the principle that by meeting the challenges in our own backyard, we can make a difference.

## Sustainable and resilient natural environments

The Water Course Management Plan has been developed to identify and rehabilitate areas along our waterways that have been affected by significant erosion or siltation. It enables better management and development of Council's wetlands and waterways with a focus on natural creek design and biodiversity plantings for erosion protection.

The first projects have been completed in the Lower Little Para River and Dry Creek. The Biodiversity Management Plan also places a focus on the Little Para River.

More than 20,000 trees and shrubs have been planted in the city's biodiversity corridors. Direct seeding of native grasses along sections of the Little Para River has improved the landscape with significant reduction in weeds.

Meanwhile, irrigation upgrades were finalised at Salisbury Downs and Yalumba Drive ovals.

Landscaping projects were completed at Atkinson Drive Reserve, Main North Road median, the Port Wakefield Road entry statement at Cavan, Agnes Court Reserve, Park Terrace Reserve, Waterloo Corner and Heaslip Road Roundabout and New Hampshire Drive Reserve.

Major play space renewal projects have enhanced Harry Bowey Reserve, Carisbrooke Reserve and Salisbury North Oval. Dog parks at The Paddocks, Jenkins Reserve and Golding Oval have also been upgraded.

Irrigation systems were activated at 23 neighbourhood reserves to sustain turf areas and the City Centre Stage One upgrade of the Civic Square was completed with a new district standard play space.



# Key Direction: The Sustainable City



## Reducing carbon emissions and optimising renewable energy options

Under the Carbon Management Plan, Council continues to pursue opportunities to reduce carbon emissions and has installed up to 400kw of solar panels on Council-owned clubs and community centres with three further installations to occur in 2014-15.

Council is also installing more efficient air-conditioning along with voltage optimisation and building management systems in its buildings. This will have a positive impact on operating budgets in the future.

## Reducing resource consumption and minimising waste

Development work is progressing at the Research Road Transfer Station to provide greater opportunities for patrons to recycle materials and reduce the quantity of material that is incinerated or disposed to landfill. Additional works at the transfer station in

2014-15 will complete the site as a resource recovery park. Discussions are being held with NAWMA and Zerowaste SA regarding waste to energy processes from domestic and commercial/industrial waste streams. The outcome of these discussions will provide direction for future waste disposal in the region, including greater potential for the private sector to dispose of waste and access energy. The success of this initiative will reduce carbon emissions from the region.

The use of recycled asphalt, concrete and granular materials will continue to reduce demand for raw materials and energy.

## Sustainable water management and water security

Salisbury Water delivered 2,138 million litres of recycled water to the community during 2013-14. A total of 1,135 million litres was supplied to more than 400 external customers, including 26 schools, while 1,003 million litres were used to irrigate 100

Council-owned parks, reserves and sports fields. Recycled water purple pipe was laid to an additional 15 reserves and playgrounds during the year. Research and development continues on low cost methods to lay purple pipe to existing residential areas to further the scope of recycled water provision to the community.

Through the Water Course Management Plan, Council is ensuring waterways and wetlands are maintained and improved to minimise pollution flow into the gulf while maximising the quality of water available for harvesting. Recent monitoring shows further improvement is required in the Helps/Springbank Waters catchments with works to be conducted in the Kaurana Park Wetlands inlet and Springbank Waters.

Through the Local Flooding Program, 20 projects have been completed with a further 20 identified for works in 2014-15. Projects have included the upgrade of Clifford Way and Barker Road, with major works to be completed in 2014-15 in the Para Hills/Paddocks wetlands area and Lake Windemere.

Council is completing stormwater management planning in the Para Escarpment area to address flooding issues around the Kesters Road/Paddocks area.

## Sustainable and resilient built environments

With an integrated landscape design approach, all open space development in the City of Salisbury includes biodiversity and energy reduction components. For example, the Green Trails Project has included solar lighting and bio-diverse plantings to contribute to quality and sustainable amenity.

Council has also completed the trail between Happy Home Reserve and Port Wakefield Road with the next stage between Port Wakefield Road and the Watershed to be completed midway through 2014-15.



CITY OF  
**Salisbury**



KEY DIRECTION

## the **Living** City

### Objectives

- To have a community that embraces healthy and active lifestyles
- To have an engaged community with a strong sense of vitality, pride and belonging
- To have a city where a quality of life is achievable
- To have a community that aspires to and embraces learning as a lifelong goal



# Key Direction: The Living City

The Living City strategy reflects the need to integrate social, environmental and economic dimensions of policy and planning. It is central in forming policies and actions that set the direction for the City of Salisbury's long-term approach to overall sustainable development.

## Embracing healthy and active lifestyles

During 2013-14, the Parafield Gardens, Ingle Farm and St Jays recreation centres, and the Salisbury Recreation Precinct, attracted more than 355,000 direct visits with a further 200,000 indirect visits.

A priority has been to develop initiatives that do not feature in mainstream recreation and development programs for children. The following is a summary of new programs and events developed at the sites:

### Parafield Gardens Recreation Centre

- after school Table Tennis League;
- appointment of a basketball Director of Coaching;
- Futsal Carnival; and
- Aussie Hoops at Lake Windemere Primary School.

### Ingle Farm Recreation Centre

- Kate Shimmin school holiday netball clinic; and
- Adelaide United Futsal school holiday clinic.

### Salisbury Recreation Precinct

- Salisbury Talented Athletes Academy; and
- AFL 9s.

On an equally positive note, there was a significant increase in participation in core programs and events such as swimming lessons, Kindigym, roller-skating and squash.

During the year, Recreation Services continued successful partnerships with a number of peak sporting bodies including Basketball SA, Netball SA and Tennis SA. These partnerships have resulted in introductory programs in each sport along with the presentation of high-level tournaments and elite player appearances.

New partnerships were also developed during the year with Baseball SA, Table Tennis SA and UniSA.

An open-air cinema program at the Salisbury Recreation Precinct was another popular attraction introduced in the past year.

Other initiatives are being developed including an expanded Kindigym program at the centres, after school sporting competitions at Parafield Gardens Recreation and pennant squash at Ingle Farm Recreation Centre.

Meanwhile, more than 900 seniors from Culturally and Linguistically Diverse (CaLD) backgrounds participated in weekly or fortnightly social programs along with physical activities including swimming, yoga, Zumba, walking, Tai Chi, dancing and exercise classes. Educational sessions on growing vegetables and healthy eating were integrated into CaLD programs.

Salisbury's community centres presented physical and emotional health and well-being programs that generated 6,361 individual visits. Adult education courses also embraced healthy lifestyle issues into accredited and non-accredited curriculums.

The Fast & Fresh program was successfully established at Bagster Road Community Centre in conjunction with the Obesity Prevention and Lifestyle (OPAL) initiative. The program is now fully operational supporting about 20 families each week with healthy, low cost meal packs.

The Morella Kitchen Garden Program provides weekly opportunities for people to come together to interact in a vibrant outdoor setting. They include people from CaLD backgrounds, the elderly and individuals who have been socially isolated.

This engaging program is also a great way for parents and young children to have a great time together in the garden to learn new skills and discover healthy cooking and eating choices.

Council has supported the following initiatives in 2013-14:

- Midnight Basketball through an agreement for the provision of four tournaments in Salisbury concluding in December 2014;
- OPAL programs in two areas;
- Growing for Gold during the October 2013 school holidays with about 500 children participating;
- development of the Bridgestone Park Business Case and Master Plan;
- completion of the Master Plan for the redevelopment of the St Kilda Adventure Playspace;
- provision of programs under Council's endorsed Drug and Alcohol Framework including Life Education and North on Target;
- Salisbury Youth Council blood donation, mental health and healthy breakfast projects; and
- implementation of the Sports Development Framework.

# Key Direction: The Living City

## Vitality, pride and strong sense of belonging

Salisbury Council endorsed the City Pride Strategy, which provides an opportunity through an assets based community development approach to encourage greater community involvement in how the public realm is improved to meet community needs as well as supporting and encouraging the maintenance and beautification of the private realm.

Harmony Day in 2014 was enjoyed widely across the City of Salisbury. The Local Government Digital Program enabled the event to be streamed live to a number of venues making it one big, shared celebration.

Among participants were more than 300 local people from Culturally and Linguistically Diverse (CaLD) backgrounds. Council constantly engages with CaLD community members to support activities celebrating the diversity of our residents and the cultural richness it brings to our society.

In October 2013, more than 700 community activities were facilitated as part of Senior's Month: Aged to Perfection, which is dedicated to engaging and celebrating active ageing in Salisbury.

Community centres across the City of Salisbury continue to present welcoming, vibrant and informative programs. The centres are managed by volunteer committees comprising passionate and motivated members of the community.

Over the past year, 51 management committee members provided approximately 1,000 hours of service to the community. Across all programs and events in the community centres during 2013-14, a total of 202 volunteers dedicated an amazing 36,727 hours. During this period, volunteers and committee members participated in professional development and training, including on-the-job experience.

During 2013/14 Council delivered a vibrant program of events throughout the city, which included:

- Salisbury Secret Garden as part of the Adelaide Fringe Festival
- Salisbury Writers' Festival, for which about 400 people registered;
- Matsuri on Mobara, the Japanese festival that attracted 2,000 people;
- ceremonial events associated with Vietnam Veteran's Day and the Asbestos Victims Association (SA);
- establishment of the Council's Reconciliation Action Plan Working Group;
- endorsement of Kurna Acknowledgement Protocols and the installation of the Aboriginal flag on permanent display in front of Council offices;
- Staging NAIDOC and Reconciliation program of events; and
- installation of the Together Woven: Kurna Heritage Marker artwork at Greenfields Wetlands and staging the official Kurna ceremony for the dedication of this artwork.
- a launch of the upgraded Harry Bowey Reserve playground;
- launch of the inaugural Secret Garden event;
- the Salisbury Craft and Hobby Fair; and
- the Mayoral International Women's Day breakfast.

Meanwhile, Council has continued to develop its capacity to engage with the community in decision-making. Salisbury's work in this area was recognised in the past year by KESAB, the Planning Institute of Australia (SA Division) and IAP2 Australia. Significant engagement was achieved in Council's consultations in relation to the St Kilda Playground upgrade and the 'Beyond The Ramp' program.

From February to May an extensive public consultation and engagement was held in relation to the Council's Digital Strategy, which is aligned with three projects funded through the National Broadband Network; Salisbury Digital Enterprise, Salisbury Digital Hub and Digital Local Government.



More than 200 community responses were received from surveys, a Town Hall Social, and business/community group meetings.

In April a community consultation was held to help select what fruit trees would be planted in the new fruit grove as part of the Heyford Reserve upgrade. Residents within a 400-metre radius of the Reserve were given the choice of nearly 20 fruit trees. Over a quarter of residents responded, many comments and tree selections were also received via Twitter and Facebook with retweets and tags generating much interest in the Reserve.

With a strong online and social media presence, and effective media liaison and publications program, Council has played an important ongoing role in informing the community.



# Key Direction: The Living City

## Quality of life

The Salisbury Emergency Plan has been completed with on-going risk assessments of incidents that may occur in our city.

The Plan is based on the All Hazards approach endorsed by the Emergency Management Council and Emergency Management Australia. It provides for an incident management team including representatives of key Council departments likely to be involved in prevention, response and recovery operations.

Updated information on the plan is available on the website [www.salisbury.sa.gov.au/Our\\_City/Environment/Emergency\\_Management](http://www.salisbury.sa.gov.au/Our_City/Environment/Emergency_Management)

The City of Salisbury continues to participate in the Northern Adelaide Zone Emergency Management Committee (NAZEMC) together with the Cities of Playford and Port Adelaide/Enfield.

Construction began on the Walkleys Park clubrooms with work due for completion in November 2014.

In 2014-15, upgrades will commence on clubrooms at Parafield Gardens Soccer Club and the Ingle Farm Junior Soccer Club. A Master Plan of Underdown Park has also been initiated and redevelopment of the site will start in the 2015-16 financial year.

The building renewal program continued with an allocated capital budget of \$1.3 million.

Council also approved the installation of solar systems at the Operations Centre, which recently had a roof replacement, the James Street offices and community centres. This work will significantly off-set electricity consumption at the various sites.

Upgrades and refurbishments have been undertaken at Morella House, Burton Park, Bagster Community Centre, Salisbury Twelve25 Youth Enterprise Centre, Ingle Farm Recreation Centre and Len Beadell Library.

An extensive shelter and new kitchen was also built at the picturesque Carisbrook Park.

## A community that aspires to and embraces learning as a lifelong goal

Opportunities for lifelong learning have been imbedded into a diverse range of community centre activities.

These opportunities range from social engagement through to accredited structured learning and include health and well-being, parenting and life skills, personal and professional development, and volunteer development.

A wide variety of courses, programs and events have been designed to meet specific community needs.

In the past year, 28,018 people attended structured courses and programs.

Council supported this agenda through:

- management of an educational exchange program with Mobara in Japan;
- facilitation of the Salisbury Youth Council;
- presentation of the Phoebe Wanganeen Scholarship;
- running of the youth work experience program; and
- a Sister Youth Council agreement with Wakefield Youth Advisory Council.

Council provided a range of wellness programs that included social, physical, emotional and psychological wellbeing contents and activities delivered across our two seniors centres: Jack Young Centre and Para Hills Centre. The programs focused on lifelong learning activities, wellness activities, physical - social health programs, social activities, games and special interest activities.





CITY OF  
**Salisbury**



KEY DIRECTION

## Achieving **Excellence**

### Objectives

- To have a workforce that is planned, dynamic and skilled that enables the organisation to achieve excellence
- To build an organisational culture and environment that is constructive, diverse and supports organisational well-being
- To deliver sustainable, creative and innovative solutions that enable excellent operations and service delivery
- To ensure informed and transparent decision-making that is accountable and legally compliant
- To apply business and resource management that enables excellent service delivery and financial sustainability
- To provide our customers with excellent service that meets their needs

# Key Direction: Achieving Excellence

The City of Salisbury faces many challenges as we strive to achieve excellence in building a community of opportunity and spirit in a quality environment. Our success is dependent on addressing these challenges in a coordinated manner.

Council's commitment to achieving excellence is based on the creation and ongoing enhancement of our organisational culture, processes and systems.

## Dynamic and skilled workforce

Council has implemented a number of innovative measures to more effectively deliver services and improve sustainability. They include refining resource requirements and reallocating responsibilities to develop a fully equipped and responsive workforce that is able to meet the needs and expectations of the community.

The employee induction process has been redeveloped with a focus on maximising knowledge and performance through eLearning tools and modules. eLearning is a leading edge system embraced by Local Government leaders in Australia.

It helps Council to effectively engage and develop new starters so that they can quickly make meaningful contributions to team outcomes.

In the past year, staff turnover rose slightly to a sustainable level of 12.5 per cent. Contained wage outcomes have been successfully finalised through the latest Enterprise Agreement.

## Awards recognising leadership

The City of Salisbury has been honoured with a number of major awards in 2013-14 showcasing leadership in many innovative projects. They include the:

- 2013 KESAB Award in the category of Appearance, Amenities and Facilities. The award recognised excellence in community engagement on the project involving the renewal of Heyford Reserve;
- 2013 KESAB Award in the category of Leadership and Youth Activities for various Council programs;
- 2013 KESAB Award in the category of Heritage and Culture for the Woven Together public art piece by artist team Marijana Tadic and Alexis West at Greenfields;
- 2013 Planning Institute of Australia (SA Division) Award for Community Engagement relating to kerb ramp and footpath consultation. The project was also honoured with a commendation at the national awards presentation in Sydney;
- 2013-14 Age Smart Award for Leadership Excellence in Age Friendly Communities. This was presented to Council's Healthy Ageing and Access team by the Local Government Managers' Association of South Australia;
- IPWEA (SA) Award for Excellence in Road Safety for the Brighter and More Durable Pavement Markings Project; and

- 2013 SA Runners-Up Award at the IAP2 Australia Best Practice Community Engagement Conference. This award recognised Council's community collaboration on the town centre renewal strategy.

## Building a constructive organisational culture and environment

Organisational effectiveness has been enhanced through a number of initiatives introduced as a result of action planning in the 2012-13 year.

The creation of Customer Charters within every work group sharpened the focus on service delivery improvement. This was supported by the development and implementation of a new staff recognition program based on international best practice benchmarks.

The Luminosity and Salisbury Leaders programs have supported Council's emphasis on leadership behaviour and role modelling. This resulted in a significant increase in peer recognition among staff and 220 nominations of volunteers who made valuable contributions during the year.

The City of Salisbury is a Local Government leader in workplace health and safety with the WorkCover Key Performance Indicator (KPI) audit returning excellent results. Council continues to strive for improvement in this area including the successful introduction of an innovative resource sharing arrangement to support injury management.

Leadership, organisational and team effectiveness will support Council in addressing future challenges with further feedback and measurement programs scheduled for implementation in the coming financial year.

# Key Direction: Achieving Excellence

## Sustainable, creative and innovative solutions

The City of Salisbury has continued to build its internal digital network increasing capacity and speeds between most of Council's service centres.

The incorporation of virtual technology software and an increase in the storage area network has enhanced Council's disaster recovery capability while reducing overall cost.

A Geographic Information Systems (GIS) review was undertaken with outcomes including the introduction of a new web-based GIS software solution called Dehko. This has increased functionality and enhanced mobility use.

The procurement process is now paperless following Council's introduction of on-line requisitioning and purchase orders.

## Informed and transparent decision-making and financial sustainability

As part of its commitment to customer service excellence, the City of Salisbury is continuing to implement an overarching Customer Service Framework.

Customer Charters are a key functional component of the framework with supporting 'compliments, comments and complaints' policies and procedures. Overall, this process is facilitated by an organisational culture that recognises the importance of feedback and the need to address issues in an efficient, fair and timely manner.

## General Manager Membership

### Chief Executive Officer, John Harry

- Northern Economic Leaders Group
- UniSA/City of Salisbury Joint Management Group
- Wakefield Group
- Northern Adelaide Regional Collaboration Group
- Zero Waste Advisory Board – Centre for Sustainable Design & Behaviour
- Outer Council Forum
- Metropolitan CEO's Group
- Council Solutions
- Greater Edinburgh Parks Steering Group

### General Manager City Development, Terry Sutcliffe

- Nil

### General Manager Community Development, Jane Trotter

- Local Government Managers Australia SA Divisional Board Member
- Local Government Managers Australia National Director
- Mawson Centre Board

### General Manager Business Excellence, Peter Fairlie-Jones

- Council Solutions Directorate
- SA Local Government Financial Management Group
- Audit Committee of the District Council of Mallala
- Audit Committee of the Light Regional Council

### General Manager City Infrastructure, Mark van der Pennen

- Adelaide Mt Lofty Ranges Bushfire Management Committee (Deputy Member)
- Northern Adelaide Waste Management Authority (NAWMA)





CITY OF  
**Salisbury**



# Performance **Indicators**



# Key Direction: The Prosperous City

Supporting the future prosperity of our city.

Objectives	City Indicators	Explanation of Indicator	Result
<b>BUSINESS DEVELOPMENT AND EMPLOYMENT</b>			
<ul style="list-style-type: none"> <li>To have a community with skills that are valued by employers and provide rewarding careers for residents</li> <li>To have a prosperous and adaptive business sector that supports community wellbeing, is globally oriented and creates employment opportunities</li> <li>To deliver a regional culture of collaboration</li> </ul>	Number of introductions between research and business	The newly established Polaris Centre helps to facilitate partnerships between education, research and industry, and promotes investment in research and development	Business to Innovation program provides a formal approach to developing business research partnerships. Six manufacturers linked with the Mawson Institute. Big data workshop held for small and medium enterprises.
	Opportunities to support the growth of small enterprises through the Polaris Centre.	A range of these activities include business networking, advisory services, mentoring, coaching and educational workshops covering key business topics	<p>Information and advice provided to 940 businesses.</p> <p>55 digital economy workshops conducted and digital mentoring provided to 212 workshop participants.</p> <p>Intensive mentoring provided to 127 clients.</p> <p>Business Women's Network conducted on a bi-monthly basis and new larger style business event introduced featuring successful entrepreneurs.</p> <p>High level of satisfaction by clients with 95% indicating they would refer Polaris services to other businesses.</p>
	Number of learning opportunities provided to 'at risk' students	Identifies the number of learning opportunities (courses and programs) created via partnership between Council (Twelve25 Salisbury Youth Enterprise Centre) and DECS (Flexible Working Opportunities Program – FLO). FLO programs are designed to encourage young people at risk of disengaging from education in the traditional model in schools. The FLO program operates through the Twelve25 Salisbury Youth Enterprise Centre	A total of 186 students participated across five different FLO programs
	Number of initiatives to support employment and education strategies	Support provided to organisations such as Northern Futures to create local community benefits in relation to the types of jobs available locally	<p>Various ACE programs delivered by community centres: 102</p> <p>Total number of initiatives to support employment and education strategies: 140</p> <p>Participation in Building Australia's Future Workforce Committee, GM Holden Taskforce and Northern Futures Board</p>

# Key Direction: The Prosperous City

Supporting the future prosperity of our city.

Objectives	City Indicators	Explanation of Indicator	Result
<b>LAND AND INFRASTRUCTURE SERVICES</b>			
<ul style="list-style-type: none"> <li>To deliver suitably integrated infrastructure that maximises economic efficiencies and opportunities for the community</li> <li>To enhance and create quality urban areas with high amenity and integrated infrastructure</li> </ul>	Percentage of development applications refused	To ensure that development undertaken in Salisbury complies with the quantitative and qualitative provisions of the City's Development Plan ensuring that development that does not meet these provisions is refused	0.49%
	Increase rateable values compared to State – metropolitan rates	This indicator reports the City of Salisbury rateable value in percentage terms compared to the State – metropolitan rates	7.28%
	Percentage of appeals lodged and lost – State average/other Councils	To ensure that the determination of development applications, when tested in appeal, withstands the rigour of external scrutiny by minimising the number of decisions reversed	0.00% (0 appeals lodged)
	Community assets/population	Community assets in the City of Salisbury total \$1,783 billion which serve a population of 134,300 residents	\$13,276

# Key Direction: The Sustainable City

Providing built and natural environments that are sustainable and resilient.

Objectives	City Indicators	Explanation of Indicator	Result
<b>ENVIRONMENT</b>			
<ul style="list-style-type: none"> <li>To reduce corporate carbon emissions via mitigation as well as optimising renewable energy options</li> <li>To deliver sustainable water management and improve water security for the City of Salisbury</li> <li>To have sustainable and resilient built environments that contribute to quality amenity</li> </ul>	Increase biodiversity land in area - habitat	This is being undertaken to reduce operating costs by using self-managing plans and to produce a calculated greenhouse carbon effect	6.06 Ha <ul style="list-style-type: none"> <li>Edinburgh Biodiversity Corridor = 5.06 hectares</li> <li>Upper Little Para = 1.1 hectares</li> </ul>
	Increase biodiversity land in area – open space	The land available for biodiversity enhancement increases with designed variation in habitat	7.05 Ha <ul style="list-style-type: none"> <li>Dry Creek Stage 3 = 5 hectares</li> <li>Dry Creek Valley View = 0.4 hectares</li> <li>Mawson Lakes Railway Wetlands = 1.02 hectares</li> <li>Dry Creek Walkley Heights = 0.13 hectares</li> <li>Cobblers Creek = 0.5 hectares</li> </ul>
	Increase number of species per hectare	Differing designs in biodiversity enhancement increase bird and animal species	25 species per Ha planted: <ul style="list-style-type: none"> <li>Edinburgh Biodiversity Corridor = 5.7 species per hectare</li> <li>Upper Little Para = 23.6 species per hectare</li> <li>Dry Creek Stage 3 = 3.2 species per hectare</li> <li>Dry Creek Valley View = 27.5 species per hectare</li> <li>Mawson Lakes Railway Wetlands = 11.8 species per hectare</li> <li>Dry Creek Walkley Heights = 92.3 species per hectare</li> <li>Cobblers Creek = 14 species per hectare</li> </ul>

# Key Direction: The Sustainable City

Providing built and natural environments that are sustainable and resilient.

Objectives	City Indicators	Explanation of Indicator	Result
<b>ENVIRONMENT</b>			
<ul style="list-style-type: none"> <li>To reduce corporate carbon emissions via mitigation as well as optimising renewable energy options</li> <li>To deliver sustainable water management and improve water security for the City of Salisbury</li> <li>To have sustainable and resilient built environments that contribute to quality amenity</li> </ul>	Water quality through wetlands to Barker Inlet (average 12 months)	<p>The purpose of this measure is to determine effectiveness of wetland systems on reducing pollutant load being discharged to the Barker Inlet. Water quality is measured predominantly using turbidity (ntu). Turbidity is a standard industry measurement of water clarity and provides a strong indication of water health. Turbidity can also be used to give a broad indication of the level of pollution in the water (ie. Suspended solids and heavy metals).</p> <p>The annual results for 2012/13 are an acceptable level for a wetland system. The wetlands significantly improve water quality being discharged to the Barker Inlet. The increase in annual average for 2013/14 has resulted from now including the monitoring from Helps Road Drain, which is significantly dirtier than Dry Creek.</p>	29 ntu
	Water quality through wetlands to Barker Inlet (peak loads)	<p>The purpose of this measure is to determine the peak turbidity load during a significant storm event. The wetlands reduce the amount of turbidity being discharged into Barker Inlet during a peak event. Water quality is measured predominately using turbidity (ntu). Turbidity is a standard industry measurement of water clarity and provides a strong indication of water health. Turbidity can also be used to give a broad indication of the level of pollution in the water (ie. Suspended solids and heavy metals).</p> <p>The increase in peak has resulted from now including the monitoring from Helps Road Drain, which is significantly dirtier than Dry Creek.</p>	103 ntu
	Water quality through wetlands to Barker Inlet (number of storm events)	<p>No Significant storm events, on average, greater than 25mm/hour were identified during the financial year as totally bypassing the wetland systems. However there were 4 events larger than 50mm in a 24 hour period, which would have discharged directly to the Barker Inlet, but because the events were over a longer period of time the majority of the sediment/silt and pollution in the water would have settled within the creek and wetland systems, rather than discharging into the Barker Inlet.</p> <p>It is noted the Watercourse Management Plan is looking to continue to improve water quality issues, particularly in the Helps Road systems, by improving the Inlet Systems to Kaurna Park and Springbank Wetlands.</p>	0 events
	Carbon management reduction in CO2 emissions	To voluntarily report the City of Salisbury's annual corporate greenhouse gas emissions in accordance with the National Greenhouse and Energy Reporting Act 2007. In accordance with the Act, only emissions for direct sources (Scope 1) and electricity consumption (Scope 2) are reported. Emissions that are created due to Council activity, but occur off-site (Scope 3) are not reported here, but are detailed in the data source	4,880 tonnes – a net reduction of 234 tonnes or around 5% since the improvement program began. The installation of solar panels on Council buildings is expected to significantly reduce emissions in the 14/15 financial year.

# Key Direction: The Sustainable City

Providing built and natural environments that are sustainable and resilient.

Objectives	City Indicators	Explanation of Indicator	Result
<b>SERVICE DELIVERY</b>			
<ul style="list-style-type: none"> <li>To reduce resource consumption and minimise waste generation</li> <li>To have sustainable and resilient natural environments that support biodiversity and contribute to quality amenity</li> </ul>	Waste - diversion from landfill	Long-term trend for this data is 100% but that target is currently unachievable based on outside factors. Salisbury remains well ahead of the majority of Councils, including the other members of NAWMA	46%
	Waste – green waste participation	Whilst setting the target at 100% would be ideal, there are cost implications of that target that cannot currently be met. The take-up of the green waste participation continues to grow at a steady rate	56.5%
	Waste recycling per household per service	Residents continue to increase the amount of waste they recycle. Council's efforts to increase awareness over what can be recycled should ensure this figure continues to grow	8.3kg
	Percentage of development applications with water sensitive urban design principles (WSUD)	Current environment legislation requires that stormwater pollution loads discharged from new development to downstream drainage systems be reduced to acceptable levels. All commercial and industrial building development applications have conditions requiring the application of WSUD principles to capture stormwater pollutants and treat storm run-off to improve water quality prior to discharge from the site. For residential development, conditions requiring WSUD principles are applied at the land division stage. Future legislation is proposed to specify targets to be achieved to reduce total suspended solids (TSS) and nutrient loads such as nitrogen and phosphorus	100% (same as previous year)
	Metre of street renewed under Streetscape Renewal	Council continues to work in a pro-active manner to ensure its network of streets are renewed sustainably	16,100m



# Key Direction: The Living City

Encouraging and supporting a thriving and connected community.

Objectives	City Indicators	Explanation of Indicator	Result
<b>LIVEABILITY</b>			
<ul style="list-style-type: none"> <li>To have a community that embraces healthy and active lifestyles</li> <li>To have a city where a quality of life is achievable</li> </ul>	Perceptions of community safety	A significant increase from the 2011/12 Survey result of 6.7.	7: Rating out of 10 with 10 being highest rating
	Perceptions of quality of life	First decrease in rating in three surveys, following an excellent result in 2011/12 of 7.7.	7.3: Rating out of 10 with 10 being highest rating
	Housing affordability	Slightly higher than in 2011/12.	7.3: Rating out of 10 with 10 being highest rating
	Perception of quality of open space	Satisfaction with parks and reserves has remained steady.	7.5: Rating out of 10 with 10 being highest rating
<b>ENGAGEMENT AND PARTICIPATION</b>			
<ul style="list-style-type: none"> <li>To have an engaged community with a strong sense of vitality, pride and belonging</li> </ul>	Number of volunteer hours	Council engaged 511 volunteers	Hours contributed: 84,940 hours with a \$2,046,204 economic value (based on \$24.09 per hour)
	Voting in elections	This indicator is intended to measure the level of participation by electors in Local Government elections. The raw data result represents the total number of ballots returned for elections conducted within the City of Salisbury. Participation rates are generally reported as a percentage, based on the responses received from total ballots issued. Comparisons with other Councils and State-wide rates is also generally based on % results	14,570 electors Participation rate of 23.01% (no election held in 2013/14)
	Participation in decision-making forums	This indicator is intended to measure the extent to which community members participate in the decision-making process of Council, via membership on Council Sub-Committees and Committees established in accordance with the requirements of Section 41 of the Local Government Act 1999	71 members

# Key Direction: The Living City

Encouraging and supporting a thriving and connected community.

Objectives	City Indicators	Explanation of Indicator	Result
<b>SERVICE DELIVERY</b>			
<ul style="list-style-type: none"> <li>To have a community that aspires to and embraces learning as a lifelong goal</li> </ul>	The level of satisfaction with services offered within the community	Satisfaction levels from 2011/12 community survey have all increased or remained steady in satisfaction in 2013/4, except Leisure and Sport.	Library: 8.4 rating Leisure and sport: 7.4 rating Community Centres: 7.5 rating Senior services: 7.3 rating (All ratings are out of 10)
	Number of attendances for structured learning activities in Community Centres	Records the number of individual participation visits in activities, courses and programs delivered across the community centres in the City.	Total number of recorded visits: 174,892 Number of attendees for structured learning activities in community centres: 28,018 Total number of initiatives to support employment and education strategies: 140

# Key Direction: Achieving Excellence

Enhancing and sustaining organisational capacity.

Objectives	City Indicators	Explanation of Indicator	Result
<b>PEOPLE</b>			
<ul style="list-style-type: none"> <li>To have a workforce that is planned, dynamic and skilled that enables the organisation to achieve excellence</li> <li>To build an organisational culture and environment that is constructive, diverse and supports organisational wellbeing</li> </ul>	Staff turnover	Number of staff leaving the organisation annually compared to growth. National turnover rates are 15.5% (2010 ABS figures)	12.5%
	Learning and development programs	<p>The organisation did not run a Corporate program this year, investing Learning and Development primarily in:</p> <ul style="list-style-type: none"> <li>Organisational Customer Service</li> <li>In-tact team development</li> <li>Technical skills development</li> <li>Leadership development with LGMA courses</li> <li>Coaching skills</li> <li>ICAC training</li> <li>High performance teams skills</li> </ul>	A focus on intact team training was delivered across the organisation, with all employees attending ICAC and Customer service development and identified managers and leaders attending coaching, high performing team skills and leadership skills development.
<b>PROCESSES AND SYSTEMS</b>			
<ul style="list-style-type: none"> <li>To deliver sustainable, creative and innovative solutions that enable excellent operations and service delivery</li> </ul>	Internal controls assessment results (CAMS)	<p>The Control Assessment Management System (CAMS) is a support tool for internal audit functions that provides a system based approach to monitoring compliance with the requirements of policies, procedures, systems, internal controls, risk management and financial land management reporting. The City of Salisbury currently utilises 377 controls within the CAMS across six classes: Assets, expenses, external services, liabilities, revenue and strategic financial planning.</p> <p>The CAMS uses a five point rating scale to assess controls (1 = ineffective, 2 = requires significant improvement, 3 = partially effective, 4 = majority effective and 5 = effective).</p>	For 2013/14 the average total score across all six classes was 4.6. This is broken down as follows; Assets = 4.5, Expenses = 4.6, External Services = 4.6, Liabilities = 4.7, Revenue = 4.5 and Strategic Financial Planning = 4.8.
	Annual surveys of (internal) customer satisfaction with corporate systems		This is a new indicator and the surveys are yet to occur
	% positive outcomes/findings from internal audits/program reviews	This indicator reports the number of internal audits/program reviews conducted and the nature of findings, within risk categories, from those internal audits/program reviews. Favourable results are reflected in findings that fall within the 'low' risk category as these generally indicate minor opportunities for improvement, rather than a failure of internal controls, processes or systems	No high risk outcomes were identified in 2013/14.

# Key Direction: Achieving Excellence

Enhancing and sustaining organisational capacity.

Objectives	City Indicators	Explanation of Indicator	Result
<b>GOVERNANCE AND PLANNING</b>			
<ul style="list-style-type: none"> <li>To ensure informed and transparent decision-making that is accountable and legally compliant</li> <li>To apply business and resource management that enables excellent service delivery and financial sustainability</li> </ul>	Approaches and complaints to Ombudsman	This indicator reports the number of approaches and complaints made to the Ombudsman in relation to the City of Salisbury. The figure is provided by the Ombudsman's office and is reported in the Ombudsman SA Annual Report. In some instances, a matter referred to the Ombudsman will be addressed through simple telephone contact with relevant City of Salisbury staff, or where the Ombudsman deems appropriate, a full investigation/review of the matter, may be undertaken	35 complaints were received by the SA Ombudsman; 20 were referred back to Council for action, 10 were declined, 4 had alternative remedy availability and 1 was resolved with the cooperation of Council.
	% business plans set (2013/14)	This indicator reports the number of business plans developed and recorded in the corporate system	100%
	Unqualified end of financial year audit	This indicator reports whether Council achieves an unqualified audit report each financial year. The result is reported as either yes or no	Yes
<b>CUSTOMERS AND COMMUNITY</b>			
<ul style="list-style-type: none"> <li>To provide our customers with excellent service that meets their needs</li> </ul>	Overall level of satisfaction with Council's service delivery (as determined by the community survey)	Rating has been consistent at 7.4 for three consecutive surveys.	7.4: Rating out of 10 with 10 being highest rating
	Number of requests for internal review of decisions	This indicator reports the number of requests received for a review of Council decisions in accordance with the requirements of Section 270 of the Local Government Act 1999	Two requests for a review of a Council decision were received





CITY OF  
**Salisbury**



# General Purpose **Financial Reports**

to 30 June 2014

# General Purpose Financial Reports to 30 June 2014

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## City of Salisbury

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

#### CERTIFICATION OF FINANCIAL STATEMENTS

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

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

  
John Harry  
CHIEF EXECUTIVE OFFICER

  
Gillian Aldridge  
MAYOR

Date:

18/10/2014

# Statement of Comprehensive Income for the year ended 30 June 2014

	Notes	2014 \$'000	2013 \$'000
<b>INCOME</b>			
Rates	2	80,314	76,192
Statutory charges	2	2,890	2,602
User charges	2	7,019	6,587
Grants, subsidies and contributions	2	10,669	13,701
Investment income	2	623	622
Reimbursements	2	356	438
Other income	2	1,192	1,011
Net gain - equity accounted Council businesses	19	1,030	1,575
<b>Total Income</b>		<b>104,093</b>	<b>102,728</b>
<b>EXPENSES</b>			
Employee costs	3	35,098	33,706
Materials, contracts and other expenses	3	45,048	41,811
Depreciation, amortisation and impairment	3	21,754	20,766
Finance costs	3	1,642	1,883
<b>Total Expenses</b>		<b>103,542</b>	<b>98,166</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>551</b>	<b>4,562</b>
Asset disposal and fair value adjustments	4	4,861	(2,016)
Amounts received specifically for new or upgraded assets	2	4,768	5,187
Physical resources received free of charge	2	7,176	3,425
<b>NET SURPLUS / (DEFICIT)</b>		<b>17,356</b>	<b>11,158</b>
transferred to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	7,9	10,319	29,783
Impairment (expense) / recoupments offset to asset revaluation reserve	7,9	(2,511)	-
<b>Total Other Comprehensive Income</b>		<b>7,808</b>	<b>29,783</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>25,164</b>	<b>40,941</b>

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



# Balance Sheet as at 30 June 2014

	Notes	2014 \$'000	2013 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	14,583	14,494
Trade and other receivables	5	5,667	6,011
Inventories	5	458	444
<b>Total Current Assets</b>		<b>20,708</b>	<b>20,949</b>
<b>Non-current Assets</b>			
Financial assets	6	1,277	788
Equity accounted investments in Council businesses	6	3,313	2,283
Infrastructure, property, plant and equipment	7	1,283,402	1,253,802
Other non-current assets	6	33,255	36,981
<b>Total Non-current Assets</b>		<b>1,321,247</b>	<b>1,293,854</b>
<b>Total Assets</b>		<b>1,341,955</b>	<b>1,314,803</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	8	11,086	9,395
Borrowings	8	2,762	3,253
Provisions	8	6,064	3,434
<b>Total Current Liabilities</b>		<b>19,912</b>	<b>16,082</b>
<b>Non-current Liabilities</b>			
Borrowings	8	19,539	22,302
Provisions	8	1,661	740
<b>Total Non-current Liabilities</b>		<b>21,200</b>	<b>23,042</b>
<b>Total Liabilities</b>		<b>41,112</b>	<b>39,124</b>
<b>NET ASSETS</b>		<b>1,300,843</b>	<b>1,275,679</b>
<b>EQUITY</b>			
Accumulated Surplus		252,153	232,736
Asset Revaluation Reserves	9	1,009,804	1,001,996
Other Reserves	9	38,886	40,947
<b>TOTAL EQUITY</b>		<b>1,300,843</b>	<b>1,275,679</b>

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

# Statement of Changes in Equity for the year ended 30 June 2014

		Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
	Notes	\$'000	\$'000	\$'000	\$'000
<b>2014</b>					
Balance at end of previous reporting period		232,736	1,001,996	40,947	1,275,679
<b>Net Surplus / (Deficit) for Year</b>		17,356			17,356
<b>Other Comprehensive Income</b>					
Gain on revaluation of infrastructure, property, plant and equipment	7,9		10,319		10,319
Impairment (expense) / recoupments offset to asset revaluation reserve	7,9		(2,511)		(2,511)
Transfers between reserves	9	2,061		(2,061)	-
<b>Balance at end of period</b>		<b>252,153</b>	<b>1,009,804</b>	<b>38,886</b>	<b>1,300,843</b>
<b>2013</b>					
Balance at end of previous reporting period		238,883	972,213	23,642	1,234,738
<b>Net Surplus / (Deficit) for Year</b>		11,158			11,158
<b>Other Comprehensive Income</b>					
Changes in revaluation surplus - infrastructure, property, plant and equipment	7,9		29,783		29,783
Transfers between reserves	9	(17,305)		17,305	-
<b>Balance at end of period</b>		<b>232,736</b>	<b>1,001,996</b>	<b>40,947</b>	<b>1,275,679</b>

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

# Cash Flow Statement for the year ended 30 June 2014

	2014	2013
	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Notes		
<u>Receipts</u>		
Rates - general and other	80,414	75,820
Fees and other charges	3,120	2,809
User charges	8,691	6,079
Investment receipts	121	676
Grants utilised for operating purposes	11,469	14,729
Reimbursements	392	482
Other revenues	7,193	5,161
<u>Payments</u>		
Employee costs	(34,322)	(33,447)
Materials, contracts and other expenses	(50,884)	(48,935)
Finance payments	(1,654)	(1,896)
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>24,540</b>	<b>21,478</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<u>Receipts</u>		
Amounts specifically for new or upgraded assets	4,768	5,187
Sale of replaced assets	220	203
Sale of surplus assets	45	116
Net disposal of investment securities	-	75
Sale of real estate developments	9,656	-
Repayments of loans by community groups	3	4
<u>Payments</u>		
Expenditure on renewal/replacement of assets	(11,111)	(14,971)
Expenditure on new/upgraded assets	(18,856)	(8,611)
Development of real estate for sale	(5,922)	-
<b>Net Cash provided by (or used in) Investing Activities</b>	<b>(21,197)</b>	<b>(17,997)</b>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<u>Payments</u>		
Repayments of borrowings	(3,254)	(3,704)
<b>Net Cash provided by (or used in) Financing Activities</b>	<b>(3,254)</b>	<b>(3,704)</b>
<b>Net Increase (Decrease) in cash held</b>	<b>89</b>	<b>(223)</b>
Cash and cash equivalents at beginning of period	5,11 14,494	14,717
Cash and cash equivalents at end of period	5,11 14,583	14,494

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

# Notes

## Notes to and forming part of the Financial Statements for the year ending 30 June 2014

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the Local Government (Financial Management) Regulations 2011 dated 15/10/2014.

##### 1.2 Historical Cost Convention

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

##### 1.3 Critical Accounting Estimates

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

##### 1.4 Rounding

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

#### 2 The Local Government Reporting Entity

The City of Salisbury is incorporated under the SA Local Government Act 1999 and has its principal place of business at 12 James Street Salisbury. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

#### 3 Income recognition

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

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

In the month of June in recent years the Federal Government has paid amounts of untied financial assistance grants, which are recognised on receipt, in advance of the year of allocation. In June 2011, one quarter of the 2011/12 allocation amounting to \$2,399,148 was paid in advance; in June 2012, two quarters of the 2012/13 allocation: \$4,624,996; and in June 2013, again two quarters of the 2013/14 allocation: \$4,393,570. Accordingly, in the reporting period ended 30 June 2012, Council's operating surplus was effectively overstated by \$2,225,848. In June 2014 the amounts paid in advance were ceased by the Federal Government and accordingly an adjustment does not need to be made as at 30 June 2014. The total amount adjusted for at 30 June 2013 was \$231,426. The actual amounts of untied grants received during the reporting periods (including the advance allocations) are disclosed in Note 2.

# Notes

## Notes to and forming part of the Financial Statements for the year ending 30 June 2014

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES

#### 4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

#### 5 Inventories

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

#### 5.1 Real Estate Assets Developments

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

#### 6 Infrastructure, Property, Plant & Equipment

##### 6.1 Initial Recognition

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

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

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

##### 6.2 Materiality

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

##### 6.3 Subsequent Recognition

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



# Notes

## Notes to and forming part of the Financial Statements for the year ending 30 June 2014

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES

#### 6.4 Depreciation of Non-Current Assets

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

#### 6.5 Impairment

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

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

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

### 7 Payables

#### 7.1 Goods and 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 and 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".

### 9 Employee Benefits

#### 9.1 Salaries, Wages & Compensated Absences

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

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

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

#### 9.2 Superannuation

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

# Notes

## Notes to and forming part of the Financial Statements for the year ending 30 June 2014

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES

#### 10 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117. In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

#### 11 Joint Ventures and Associated Entities

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

#### 12 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.

#### 13 Pending Accounting Standards

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

- AASB 9 Financial Instruments

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2012-3, AASB 2013-3 and AASB 2013-8.

(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.

# Notes

Notes to and forming part of the Financial Statements for the year ending 30 June 2014

## NOTE 2 - INCOME

### RATES REVENUES

#### General Rates

Less: Mandatory rebates	(933)	(871)
Less: Discretionary rebates, remissions and write offs	(343)	(291)

#### Other Rates (including service charges)

Natural Resource Management Levy	1,697	1,622
Salisbury Town Centre Separate Rate	149	149
Globe Derby Separate Rate	6	6
Mawson Centre Carparking Separate Rate	18	16

#### Other Charges

Penalties for late payment	211	208
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### STATUTORY CHARGES

Development Act fees	830	576
Town planning fees	378	396
Animal registration fees and fines	1,131	1,160
Parking fines / expiation fees	321	271
Other licences, fees and fines	230	199

### USER CHARGES

Cemetery fees	364	370
Waste disposal fees	1,330	1,189
Property rentals	671	600
Recreation Centres	1,907	1,944
Water Supply	1,747	1,516
Aged and Disability Services	413	392
Sundry	587	576

### INVESTMENT INCOME

Interest on investments		
Local Government Finance Authority	324	385
Banks	297	235
Loans to Community Groups	2	2

### REIMBURSEMENTS

#### Other

### OTHER INCOME

Insurance and other recoupments	5	31
Rebates received	528	419
Sundry	659	561

### GRANTS, SUBSIDIES, CONTRIBUTIONS

Amounts received specifically for new or upgraded assets	4,768	5,187
Other grants, subsidies and contributions	10,669	13,701

The functions to which these grants relate are shown in Note 12.

### Sources of Grants

Commonwealth Government	3,265	3,637
State Government	10,526	14,761
Other	1,646	490

Notes	2014 \$'000	2013 \$'000
	<u>356</u>	<u>438</u>
	<u>356</u>	<u>438</u>
	<u>5</u>	<u>31</u>
	<u>528</u>	<u>419</u>
	<u>659</u>	<u>561</u>
	<u>1,192</u>	<u>1,011</u>
	<u>4,768</u>	<u>5,187</u>
	<u>10,669</u>	<u>13,701</u>
	<u>15,437</u>	<u>18,888</u>
	<u>3,265</u>	<u>3,637</u>
	<u>10,526</u>	<u>14,761</u>
	<u>1,646</u>	<u>490</u>
	<u>15,437</u>	<u>18,888</u>

# Notes

## Notes to and forming part of the Financial Statements for the year ending 30 June 2014

### NOTE 2 - INCOME (continued)

	2014	2013
Notes	\$'000	\$'000
<b>Conditions over grants &amp; contributions</b>		
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:		
Unexpended at the close of the previous reporting period	3,769	4,081
Less: expended during the current period from revenues recognised in previous reporting periods		
Digital Local Government Program	(338)	-
Burton West Drain	(145)	-
Green Trails	(111)	-
Economic Regional Collaboration - Business Taskforce	(85)	-
Small Business Advisory Service	(83)	-
Harry Bowey Playground Renewal	(75)	-
OPAL Program	(58)	-
ACE Transition Project	(44)	-
Creaser Park Playspace	(78)	(22)
Salisbury Town Centre Playspace	(366)	(34)
Digital Hubs Program	(57)	(79)
Digital Enterprise Program	(123)	(140)
Healthy Communities Initiative	(131)	(209)
Walpole Road Redevelopment	-	(1,291)
Salisbury Town Centre Revitalisation	-	(28)
Small Business Contact Service	-	(93)
Bus Shelter Program	-	(106)
City Wide Trails	-	(317)
Walkleys Road Clubroom Upgrade	-	(360)
Other	(155)	(328)
<b>Subtotal</b>	<b>(1,849 )</b>	<b>(3,007 )</b>

Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions

St Kilda Playground Renewal	1,000	-
Kings/Whites Road Roundabout	295	-
Indigenous Capability and Development Program	71	-
Resource Recovery Park	57	-
Willowbrook Reserve - Connect Salisbury	50	-
Digital Enterprise Program	13	44
OPAL Program	62	58
Economic Regional Collaboration - Business Taskforce	95	70
Small Business Advisory Service	56	83
Healthy Communities Initiative	-	131
Burton West Drain	-	145
Digital Local Government Program	-	338
Open Space Funding - Stanley and Hunt Streets	-	405
Green Trails	-	816
Other	167	605
<b>Subtotal</b>	<b>1,866</b>	<b>2,695</b>
<b>Unexpended at the close of this reporting period</b>	<b>3,786</b>	<b>3,769</b>
<b>Net increase (decrease) in assets subject to conditions in the current reporting period</b>		
	<b>17</b>	<b>(312 )</b>

### PHYSICAL RESOURCES RECEIVED FREE OF CHARGE

Land & Improvements	3,218	292
Roads, Bridges & Footpaths	3,958	3,133
<b>TOTAL PHYSICAL RESOURCES RECEIVED</b>	<b>7,176</b>	<b>3,425</b>

# Notes

Notes to and forming part of the Financial Statements for the year ending 30 June 2014

## Note 3 - EXPENSES

	Notes	2014 \$'000	2013 \$'000
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		28,120	26,887
Employee Leave expense		4,899	4,563
Superannuation - defined contribution plan contributions	18	1,229	1,129
Superannuation - defined benefit plan contributions	18	1,729	1,648
Workers' Compensation Insurance		1,412	1,121
Less: Capitalised and distributed costs		(2,291)	(1,642)
<b>Total Operating Employee Costs</b>		<b>35,098</b>	<b>33,706</b>

**Total Number of Employees** **433** **435**  
(Full time equivalent at end of reporting period)

## MATERIALS, CONTRACTS AND OTHER EXPENSES

### Prescribed Expenses

Auditor's Remuneration			
- Auditing the financial reports		53	29
Bad and Doubtful Debts		10	49
Elected members' expenses		398	390
Election expenses		33	32
Operating Lease Rentals - cancellable leases		1,386	1,467
Subtotal - Prescribed Expenses		<b>1,880</b>	<b>1,967</b>

### Other Materials, Contracts & Expenses

Contractors		28,339	26,083
Energy		4,314	4,089
Legal Expenses		256	346
Levies paid to government - NRM levy		1,679	1,607
Other Levies		84	242
Parts, accessories and consumables		3,385	3,162
Water Rates		779	574
Insurance		950	981
Sundry		3,382	2,760
Subtotal - Other Materials, Contracts and Expenses		<b>43,168</b>	<b>39,844</b>
		<b>45,048</b>	<b>41,811</b>

## DEPRECIATION, AMORTISATION AND IMPAIRMENT

### Depreciation

Land Improvements	3,777	3,598
Buildings and Other Structures	1,068	1,039
Infrastructure	15,392	14,636
Plant and Equipment	1,398	1,261
Library Books	119	232
	<b>21,754</b>	<b>20,766</b>

## FINANCE COSTS

Interest on Loans	1,642	1,883
	<b>1,642</b>	<b>1,883</b>



# Notes

Notes to and forming part of the Financial Statements for the year ending 30 June 2014

## Note 4 - ASSET DISPOSAL AND FAIR VALUE ADJUSTMENTS

	Notes	2014 \$'000	2013 \$'000
<b>INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT</b>			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		220	203
Less: Carrying amount of assets sold		161	264
<b>Gain (Loss) on disposal</b>		<b>59</b>	<b>(61)</b>
<i>Assets surplus to requirements</i>			
Proceeds from disposal		45	116
Less: Carrying amount of assets sold		1,579	2,071
<b>Gain (Loss) on disposal</b>		<b>(1,534)</b>	<b>(1,955)</b>
<b>REAL ESTATE DEVELOPMENT ASSETS</b>			
Proceeds from disposal		9,656	-
Less: Carrying amount of assets sold		3,320	-
<b>Gain (Loss) on disposal</b>		<b>6,336</b>	<b>-</b>
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>			
		<b>4,861</b>	<b>(2,016)</b>

## Note 5 - CURRENT ASSETS

	Notes	2014 \$'000	2013 \$'000
<b>CASH AND EQUIVALENT ASSETS</b>			
Cash on Hand and at Bank		1,916	3,433
Short Term Deposits		12,667	11,061
		<b>14,583</b>	<b>14,494</b>
<b>TRADE AND OTHER RECEIVABLES</b>			
Rates - General and other		2,128	2,137
Accrued Revenues		69	67
Debtors - General		2,516	3,474
GST Recoupment		868	237
Prepayments		103	93
Loans to community organisations		3	3
<b>Total</b>		<b>5,687</b>	<b>6,011</b>
Less: Allowance for Doubtful Debts		20	-
		<b>5,667</b>	<b>6,011</b>
<b>INVENTORIES</b>			
Stores and Materials		445	426
Trading Stock		13	18
		<b>458</b>	<b>444</b>

# Notes

Notes to and forming part of the Financial Statements for the year ending 30 June 2014

## Note 6 - NON-CURRENT ASSETS

		2014 \$'000	2013 \$'000
<b>FINANCIAL ASSETS</b>	Notes		
<b>Receivables</b>			
Council Rates Postponement Scheme		12	20
Loans to Community Organisations		25	28
		<u>37</u>	<u>48</u>
<b>Other Financial Assets</b>			
Mortgage over Property - Affordable Housing Scheme		1,240	740
<b>TOTAL FINANCIAL ASSETS</b>		<u>1,277</u>	<u>788</u>
<b>EQUITY ACCOUNTED INVESTMENTS IN COUNCIL BUSINESSES</b>			
Northern Adelaide Waste Management Authority	19	3,192	2,222
Council Solutions	19	121	61
		<u>3,313</u>	<u>2,283</u>
<b>OTHER NON-CURRENT ASSETS</b>			
Real Estate Developments		13,284	11,780
Capital Works-in-Progress		19,971	25,201
		<u>33,255</u>	<u>36,981</u>
<b>Real Estate Developments - Current and Non-Current</b> (Valued at the lower of cost and net realisable value)			
Residential		13,284	11,780
<b>Total Real Estate for Resale</b>		<u>13,284</u>	<u>11,780</u>
Represented by:			
Acquisition Costs		8,504	11,774
Development Costs		4,780	6
<b>Total Real Estate for Resale</b>		<u>13,284</u>	<u>11,780</u>

# Notes

Notes to and forming part of the Financial Statements for the year ending 30 June 2014

## Note 7 - INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT

	Fair Value Level	2013 \$'000				2014 \$'000			
		AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	2	382,371	-	-	382,371	384,633	-	-	384,633
Land Improvements	3	123,733	-	(48,087)	75,646	145,693	-	(52,481)	93,212
Buildings and Other Structures	3	98,937	-	(24,427)	74,510	98,037	-	(24,358)	73,679
Infrastructure	3	1,127,548	-	(414,490)	713,058	1,154,580	-	(431,268)	723,312
Plant and Equipment	N/A	-	17,259	(10,437)	6,822	-	18,600	(11,449)	7,151
Library Books	N/A	-	1,395	-	1,395	-	1,415	-	1,415
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT</b>		1,732,589	18,654	(497,441)	1,253,802	1,782,943	20,015	(519,556)	1,283,402
<b>Comparatives</b>		<b>1,679,463</b>	<b>17,306</b>	<b>(466,154)</b>	<b>1,230,615</b>	<b>1,732,589</b>	<b>18,654</b>	<b>(497,441)</b>	<b>1,253,802</b>

This Note continues on the following pages.

	2013	CARRYING AMOUNT MOVEMENTS DURING YEAR							2014
	\$'000	\$'000							\$'000
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation	CARRYING AMOUNT
	New/Upgrade	Renewals							
Land	382,371	3,291	-	1	-	-	1,098	(2,128)	384,633
Land Improvements	75,646	19,156	1,260	(194)	(3,777)	-	-	1,121	93,212
Buildings and Other Structures	74,510	1,018	1,045	(36)	(1,068)	(2,511)	-	721	73,679
Infrastructure	713,058	9,216	7,174	(1,349)	(15,392)	-	-	10,605	723,312
Plant and Equipment	6,822	1,888	-	(161)	(1,398)	-	-	-	7,151
Library Books	1,395	139	-	-	(119)	-	-	-	1,415
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT	1,253,802	34,708	9,479	(1,739)	(21,754)	(2,511)	1,098	10,319	1,283,402
Comparatives	1,230,615	12,042	8,244	(2,334)	(20,766)	-	(3,782)	29,783	1,253,802

This Note continues on the following pages.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

### Note 7 (cont) – INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT

#### Valuation of Assets

Council measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land
- Land improvements
- Infrastructure
- Buildings and other structures

Council does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

#### (a) Fair Value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be characterised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly.	Measurements based on unobservable inputs for the asset.

The fair value of assets that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

#### (b) Valuation Techniques

Council selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends upon the specific characteristics of the asset being measured. The valuation techniques selected by Council are consistent with one or more of the following valuation approaches:

- *Market Approach* uses prices and other relevant information generated by market transactions involving identical or similar assets.
- *Income Approach* converts estimated future cash flows or income and expenses into a single current (ie discounted) value.
- *Cost Approach* reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset, including assumptions about risks. When selecting a valuation technique, Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publically available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

### Note 7 – Property, Plant and Equipment (cont)

#### (c) Capitalisation Thresholds

Capitalisation Thresholds used by Council for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture and Equipment	\$5,000
Plant and Light Vehicles	\$5,000
Buildings - new construction/extensions	\$10,000
Park and Playground Furniture and Equipment	\$5,000
Road construction and reconstruction	\$10,000
Paving and footpaths, Kerb and Gutter	\$5,000
Drains and Culverts	\$20,000
Reticulation extensions	\$20,000
Sidelines and household connections	\$5,000
Artworks	\$5,000

#### (d) 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 and Equipment:	
Office Equipment	3 to 10 years
Office Furniture	3 to 10 years
Vehicles and Road-making Equipment	4 to 25 years
Other Plant and Equipment	3 to 25 years
Building and Other Structures:	
Buildings	40 to 150 years
Playground Equipment	15 to 25 years
Benches, Seats, etc	5 to 15 years
Infrastructure:	
Roads – Seal	20 to 25 years
Roads - Pavement	40 to 80 years
Unsealed Roads	5 to 10 years
Bridges	100 years
Footpaths	5 to 50 years
Kerb, Gutter and Medians	40 to 100 years
Drainage Pipes	80 to 100 years
Culverts, Headwalls and Junction Boxes	40 to 80 years
Dams and Reservoirs	100 years
Bores	50 years
Reticulation Pipes – PVC	60 to 80 years
Pumps and Telemetry	10 to 30 years
Other Assets	
Library Books	10 to 15 years
Artworks	Indefinite

#### (e) Table of Fair Values 2013/14

	Level 1 \$,000's	Level 2 \$,000's	Level 3 \$,000's	Total \$,000's
Land	-	384,633	-	384,633
Land Improvements	-	-	145,693	145,693
Infrastructure	-	-	1,154,580	1,154,580
Building	-	-	98,037	98,037
<b>Total</b>	-	<b>384,633</b>	<b>1,398,210</b>	<b>1,782,943</b>



# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

### (f) Disclosed Fair Value Measurements

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Inputs Used
Land	2	Market Value	State Valuer Generals Values – which are based on observable sales of similar properties of both vacant land and land with improvements.
Land Improvements	3	Cost Approach	<p>Valuation of assets in this category are undertaken via one of 3 methods:</p> <ol style="list-style-type: none"> <li>1) Independent valuations are provided by Tonkin Consulting using a methodology that utilises observable Council specific contract rates to derive a unit rate used to calculate a Depreciated Replacement Cost for each asset. Assets valued via this method include Footpaths, Kerbing and Carpark Pavements/Seals all situated on Council Reserves.</li> <li>2) Revalued using the Local Government Pricing Index (LGPI) which is an index developed by the Australian Bureau of Statistics and is prepared quarterly by the South Australian Centre for Economic Studies and is based on price movements in the goods and services purchased by Local Government. Assets valued via this method include Fencing, Irrigation Equipment, Playgrounds, Sports Courts/Facilities, Reserve Furniture, Landscaping and Other Structures all situated on Council Reserves.</li> <li>3) Independent valuations are provided by Tonkin Consulting, derived from a Building Price Index contained within the Rawlinson's Australian Construction Handbook. Assets valued via this method include all those associated with Councils Recycled Stormwater Business Unit, which includes assets such as Pipeworks, Pumps, Bores, Valves, Electrical and Computer Equipment.</li> </ol>

Infrastructure	3	Cost Approach	<p>Valuation of assets in this category are undertaken via one of two methods:</p> <ol style="list-style-type: none"> <li>1) Independent valuations are provided by Tonkin Consulting using a methodology that utilises observable Council specific contract rates to derive a unit rate used to calculate a Depreciated Replacement Cost for each asset. Assets valued via this method include Footpaths, Kerbing, Carpark Pavements/Seals, Road Pavement/Seals and Drainage Pipes/Pits all situated on Council Roads.</li> <li>2) Revalued using the Local Government Pricing Index (LGPI) which is an index developed by the Australian Bureau of Statistics and is prepared quarterly by the South Australian Centre for Economic Studies and is based on price movements in the goods and services purchased by Local Government. Assets valued via this method include Bridges, Irrigation Equipment on Roads, Road Furniture, Landscaping on Roads, Open Drainage Systems and Drainage Dams.</li> </ol>
Buildings and Other Structures	3	Cost Approach	<p>Independent valuation of the current Depreciated Replacement Cost for buildings at a component level was undertaken by APV Valuers and Asset Management for the year ending 30 June 2010 and was indexed in the 2010/11 and 2011/12 Financial Years by APV Valuers and Asset Management using an index derived from references to various construction guides (such as Rawlinson's Australian Construction Handbook) and ABS data.</p> <p>In 2012/13 and 2013/14 an independent valuation of the current Depreciated Replacement Cost for buildings was undertaken using a Building Component Price Index provided by Tonkin Consulting, derived from building rates contained within the Rawlinson's Australian Construction Handbook.</p>

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements from previous years.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

### **Note 7 – Property, Plant and Equipment (cont)**

#### **(g) Land Under Roads**

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

#### **(h) Street Trees**

Council being of the opinion that street trees are tangible assets that the City uses to support the provision of environmental and recreational services to the community and have an initial cost that can be reliably measured (that is, the cost of planting and establishing the trees). It is therefore considered that costs relating to tree plantings meet the recognition criteria of property, plant and equipment and should be recognised as an asset as from the reporting period starting 1 July 2013.

The City of Salisbury has applied this change in Accounting Policy voluntarily in accordance with AASB 108.19 (b), however has not applied this change retrospectively as it has been deemed is impractical in accordance with AASB 108.23. This change in Accounting Policy has been prospectively applied for financial year beginning the 1st of July 2013.

#### **(i) Plant, Furniture & Equipment**

These assets are recognised on the cost basis.

#### **(j) Library Books**

Library books are accounted for under the replacement method. Library stock at 30 June 2014 is valued using nominal values recommended by PLAIN (Public Libraries Automated Information Network). All new purchases are treated as replacement items and the expense is classified as depreciation. This expense is then adjusted by the movement in the calculated value of the library stock.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

### Note 8 - LIABILITIES

		2014 \$'000		2013 \$'000	
TRADE AND OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods and Services		9,197		4,949	
Payments received in advance		863	-	680	-
Accrued expenses - employee entitlements		552	-	3,361	-
Accrued expenses - other		292	-	257	-
Deposits, Retentions and Bonds		182	-	148	-
		<b>11,086</b>	<b>-</b>	<b>9,395</b>	<b>-</b>

In the year ended 30 June 2013 Accrued Annual Leave Entitlements were included in Accrued Expenses - Employee Benefits as a Current Liability on the basis of AASB 137.11 which referred to Accrued Vacation pay as an Accrual. However a change to the definition of Short Term Employee Benefits in AASB 119 Employee Benefits requires that amounts of annual leave not expected to be paid within 12 months must be calculated as the present value of the anticipated future cash outlays. This is identical to the method of calculation for the provision for long service leave and as such in the year ended 30 June 2014 annual leave entitlements have been included with the line item Provisions Employee Entitlements (see below). This has been deemed to not be a reclassification event and has only been applied prospectively. Further AASB 119 does not require the disclosure of movements in the provision for employee entitlements.

### BORROWINGS

Loans	2,762	19,539	3,253	22,302
	<b>2,762</b>	<b>19,539</b>	<b>3,253</b>	<b>22,302</b>

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

### PROVISIONS

Employee entitlements (including oncosts)	6,064	1,604	3,434	694
Salisbury Memorial Park Maintenance Provision	-	30	-	20
Mortgage Loss Provision	-	27	-	26
	<b>6,064</b>	<b>1,661</b>	<b>3,434</b>	<b>740</b>

### Movements in Provisions - 2014 year only (Current & Non-current)

	Salisbury Memorial Park Maintenance Provision	Mortgage Loss Provision
Opening Balance	20	26
Additional amounts recognised	10	1
Closing Balance	<b>30</b>	<b>27</b>

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

### Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2013	Net Increments (Decrements)	Transfers, Impairments	30/6/2014
Notes	\$'000	\$'000	\$'000	\$'000
Land	298,637	(2,128 )	-	<b>296,509</b>
Land Improvements	21,453	1,121	-	<b>22,574</b>
Buildings and Other Structures	35,745	721	(2,511 )	<b>33,955</b>
Infrastructure	642,642	10,605	-	<b>653,247</b>
Library Books	2,338	-	-	<b>2,338</b>
Joint Ventures - Other Comprehensive Income	1,181	-	-	<b>1,181</b>
<b>TOTAL</b>	<b>1,001,996</b>	<b>10,319</b>	<b>(2,511 )</b>	<b>1,009,804</b>
<i>Comparatives</i>	<i>972,213</i>	<i>29,783</i>	<i>-</i>	<i>1,001,996</i>

OTHER RESERVES	1/7/2013	Transfers to Reserve	Transfers from Reserve	30/6/2014
Plant Replacement Reserve	916	1,398	(510)	<b>1,804</b>
Subdivision Works Reserve	1,021	321	(361)	<b>981</b>
Open Space Reserve	329	757	-	<b>1,086</b>
Car Parking Reserve	829	39	-	<b>868</b>
Property Disposal Reserve	956	9,656	(6,252)	<b>4,360</b>
Mausoleum Perpetual Care Reserve	575	18	-	<b>593</b>
Salisbury Memorial Park Reserve	808	21	-	<b>829</b>
Carried Forward Funds Reserve	35,212	27,546	(35,212)	<b>27,546</b>
Salisbury Water Business Unit Reserve	214	518	-	<b>732</b>
Nursery Business Unit Reserve	87	-	-	<b>87</b>
<b>TOTAL OTHER RESERVES</b>	<b>40,947</b>	<b>40,274</b>	<b>(42,335 )</b>	<b>38,886</b>
<i>Comparatives</i>	<i>23,642</i>	<i>36,767</i>	<i>(19,462 )</i>	<i>40,947</i>

### PURPOSES OF RESERVES

#### Asset Revaluation Reserve

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

#### Plant Replacement Reserve

Used to fund the purchase of items of major plant.

#### Subdivision Works Reserve

For developer contributions towards future drainage, footpaths, street signs and street trees.

#### Open Space Reserve

For developer contributions towards the future acquisition of open space areas.

#### Carpark Reserve

For the provision of car parking areas within the Salisbury Town Centre, Ingle Farm Town Centre and Mawson Lakes Town Centre.

#### Property Disposal Reserve

To retain the proceeds of all property sales, and to be utilised as resolved by Council.

#### Mausoleum Perpetual Care Fund Reserve

To provide maintenance for the mausoleum at Salisbury Memorial Park.

#### Salisbury Memorial Park Reserve

To fund future development work and maintenance at the Salisbury Memorial Park.

#### Carried Forward Funds Reserve

Used for unspent budget funds at the end of financial year that are to be carried forward for use in the following year.

#### Salisbury Water Business Unit Reserve

Funded from surpluses generated by Salisbury Water. Allocations are only to be made following a special resolution of Council and can only be utilised to fund either business development, asset renewal, offset losses or to distribute dividends to Council.

#### Nursery Business Unit Reserve

Funded from surpluses generated by the Nursery. Allocations are only to be made following a special resolution of Council and can only be utilised to fund either business development, asset renewal or to offset losses.

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

## Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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

		2014 \$'000	2013 \$'000
<b>CASH &amp; FINANCIAL ASSETS</b>			
Developer Contributions	9	2,935	2,179
Unexpended Grants and Subsidy Funds	2	3,786	3,769
		<u>6,721</u>	<u>5,948</u>

Developer Contributions are received primarily to fund infrastructure works in new subdivisions. These funds are held in reserves until required and as such are regarded as restricted. Grant and Subsidy Funds received but not yet expended are regarded as restricted.

## Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

### (a) Reconciliation of Cash

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

	Notes	2014 \$'000	2013 \$'000
Total cash and equivalent assets	5	14,583	14,494
Balances per Cash Flow Statement		<u>14,583</u>	<u>14,494</u>

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

Net Surplus (Deficit)		17,356	11,158
Non-cash items in Income Statement:			
Depreciation, amortisation and impairment		21,754	20,766
Fair value adjustments		(500)	-
Equity movements in equity accounted investments (increase) decrease		(1,030)	(1,575)
Net increase (decrease) in unpaid employee benefits		731	255
Change in allowances for under-recovery		20	-
Non-cash asset acquisitions		(7,176)	(3,425)
Grants for capital acquisitions treated as Investing Activity		(4,768)	(5,187)
Net (Gain) Loss on Disposals		<u>(4,861)</u>	<u>2,016</u>
		21,526	24,008
Add (Less): Changes in Net Current Assets:			
Net (increase) decrease in receivables		332	(1,427)
Net (increase) decrease in inventories		(14)	70
Net increase (decrease) in trade and other payables		2,685	(1,173)
Net increase (decrease) in other provisions		11	-
<b>Net Cash provided by (or used in) operations</b>		<u>24,540</u>	<u>21,478</u>

### (c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:			
Physical resources received free of charge	2	7,176	3,425
		<u>7,176</u>	<u>3,425</u>

### (d) Financing Arrangements

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

Bank Overdrafts	500	500
Corporate Credit Cards	500	500
LGFA Cash Advance Debenture facility	28,747	28,747

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



# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

## Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES									
INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT AND NON-CURRENT)	
ACTUAL	ACTUAL	ACTUAL	ACTUAL						
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2,998	2,636	3,041	3,391	(43)	(755)	115	-	337	259
202	209	1,558	1,501	(1,356)	(1,292)	17	17	114	87
3,352	3,258	5,799	5,802	(2,447)	(2,544)	2,786	2,688	22,583	4,768
4,038	3,613	23,689	22,100	(19,651)	(18,487)	260	311	416,361	405,682
2,837	2,773	22,963	20,874	(20,126)	(18,101)	591	597	829,332	810,413
2,372	3,153	7,917	7,722	(5,545)	(4,569)	2,358	3,147	6,664	5,931
710	437	5,393	4,894	(4,683)	(4,457)	545	226	142	17,733
86,554	85,074	33,182	31,882	53,372	53,192	3,997	6,715	66,422	69,930
103,063	101,153	103,542	98,166	(479)	2,987	10,669	13,701	1,341,955	1,314,803

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.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

### Note 13 - FINANCIAL INSTRUMENTS

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

#### Accounting Policies - Recognised Financial Instruments

**Bank, Deposits at Call, Short Term Deposits** **Accounting Policy:** Carried at lower of cost and net realisable value; Interest is recognised when earned.

**Terms and conditions:** Deposits are returning fixed interest rates between 2.75% and 3.0% (2013: 3.0% and 4.6%). Short term deposits have an average maturity of 41 days and an average interest rates of 2.80% (2013: 46 days, 3.68%).

**Carrying amount:** approximates fair value due to the short term to maturity.

**Receivables - Rates and Associated Charges** (including legals and doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. penalties for late payment)

Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures. **Terms and conditions:** Secured over the subject land, arrears attract interest of 2% (2013: 2%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

**Carrying amount:** approximates fair value (after deduction of any allowance).

**Receivables - Fees and other charges** **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.

**Terms and 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.

**Carrying amount:** approximates fair value (after deduction of any allowance).

**Receivables - other levels of government** **Accounting Policy:** Carried at nominal value.

**Terms and 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.

**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 Council.

**Terms and conditions:** Liabilities are normally settled on 30 day terms.

**Carrying amount:** approximates fair value.

**Liabilities - Interest Bearing Borrowings** **Accounting Policy:** Carried at the principal amounts. Interest is charged as an expense as it accrues.

**Terms and conditions:** secured over future revenues, borrowings are repayable by six monthly instalments of principal and interest; interest is charged at fixed rates between 5.60% and 7.52% (2013: 5.60% and 7.52%)

**Carrying amount:** approximates fair value.

#### Liquidity Analysis

2014	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Non-interest Bearing	Carrying Values
<b>Financial Assets</b>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents	14,583			14,583	97	14,583
Receivables	2,588	25	-	2,613	2,585	2,613
Other Financial Assets	-	-	1,240	1,240	1,240	1,240
<b>Total</b>	<b>17,171</b>	<b>25</b>	<b>1,240</b>	<b>18,436</b>	<b>3,922</b>	<b>18,436</b>
<b>Financial Liabilities</b>						
Payables	16,287	1,631	30	17,948	17,948	17,948
Current Borrowings	4,204	-	-	4,204	-	2,762
Non-Current Borrowings		16,084	9,763	25,847	-	19,539
<b>Total</b>	<b>20,491</b>	<b>17,715</b>	<b>9,793</b>	<b>47,999</b>	<b>17,948</b>	<b>40,249</b>

2013	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Non-interest Bearing	Carrying Values
<b>Financial Assets</b>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents	14,494			14,494	54	14,494
Receivables	3,544	28	-	3,572	3,541	3,572
Other Financial Assets	-	-	740	740	740	740
<b>Total</b>	<b>18,038</b>	<b>28</b>	<b>740</b>	<b>18,806</b>	<b>4,335</b>	<b>18,806</b>
<b>Financial Liabilities</b>						
Payables	12,149	720	20	12,889	12,889	12,889
Current Borrowings	4,908	-	-	4,908	-	3,253
Non-Current Borrowings	-	14,788	15,264	30,052	-	22,302
<b>Total</b>	<b>17,057</b>	<b>15,508</b>	<b>15,284</b>	<b>47,849</b>	<b>12,889</b>	<b>38,444</b>

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

	30 June 2014		30 June 2013	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Overdraft	7.97	-	8.87	-
Other Variable Rates	0.00	17,948	0.00	12,889
Fixed Interest Rates	6.51	22,301	6.5	25,555
		<b>40,249</b>		<b>38,444</b>

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

### Note 13 (cont) - FINANCIAL INSTRUMENTS

#### 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, and also with the National Australia Bank. 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.

### Note 14 - COMMITMENTS FOR EXPENDITURE

	Notes	2014 \$'000	2013 \$'000
<b>Capital Commitments</b>			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Infrastructure		12,832	7,505
		<u>12,832</u>	<u>7,505</u>
These expenditures are payable:			
Not later than one year		12,832	7,505
		<u>12,832</u>	<u>7,505</u>
<b>Other Expenditure Commitments</b>			
Other non-capital expenditure commitments in relation to investment properties:			
Audit Services		53	47
		<u>53</u>	<u>47</u>
These expenditures are payable:			
Not later than one year		53	47
		<u>53</u>	<u>47</u>

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

## Note 15 - FINANCIAL INDICATORS

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

### Operating Surplus Ratio

	2014	2013	2012
<u>Operating Surplus</u>	1%	6%	7%
Rates - general & other less NRM levy			

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

### Adjusted Operating Surplus Ratio

	2014	2013	2012
	6%	6%	4%

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

	2014	2013	2012
<u>Net Financial Liabilities</u>	19%	18%	24%
Total Operating Revenue less NRM levy			

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

### Asset Sustainability Ratio

	2014	2013	2012
<u>Net Asset Renewals</u>	49%	71%	44%
Infrastructure & Asset Management Plan required expenditure		*	*

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

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

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

### Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2014 \$'000	2013 \$'000
Income	104,093	102,728
less Expenses	<u>103,542</u>	<u>98,166</u>
<b>Operating Surplus / (Deficit)</b>	<b>551</b>	<b>4,562</b>
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of existing Assets	11,111	14,971
Depreciation, Amortisation and Impairment	(21,754)	(20,766)
Proceeds from Sale of Replaced Assets	<u>(220)</u>	<u>(203)</u>
	<b>(10,863)</b>	<b>(5,998)</b>
<b>less Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including investment property and real estate developments)	24,778	8,611
Amounts received specifically for New and Upgraded Assets	(4,768)	(5,187)
Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	<u>(9,701)</u>	<u>(116)</u>
	<b>10,309</b>	<b>3,308</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>1,105</b>	<b>7,252</b>



# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

## Note 17 - OPERATING LEASES

### *Leases providing revenue to the Council*

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

### Investment Property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

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

	<b>2014</b>	2013
	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	<b>489</b>	518
Later than one year and not later than 5 years	<b>1,659</b>	787
Later than 5 years	<b>1,883</b>	1,871
	<b><u>4,031</u></b>	<b><u>3,176</u></b>

### *Lease payment commitments of Council*

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment.

No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

No lease contains any escalation clause.

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

	<b>2014</b>	2013
	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	<b>1,069</b>	1,168
Later than one year and not later than 5 years	<b>1,569</b>	1,690
Later than 5 years	<b>-</b>	-
	<b><u>2,638</u></b>	<b><u>2,858</u></b>

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

## Note 18 – 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 have the option to contribute to Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

### Marketlink (Accumulation Fund) Members

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

### Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Trustee based on advice from the Scheme's Actuary. The rate is currently 6.3% (6.3% in 2012/13) of "superannuation" salary.

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

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

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

### Contributions to Other Superannuation Schemes

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

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

## Note 19 - EQUITY ACCOUNTED COUNCIL BUSINESSES

All equity accounted Council businesses are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

### Waterproofing Northern Adelaide Regional Subsidiary

Established by the Cities of Salisbury, Playford and Tea Tree Gully in October 2006, this regional subsidiary is responsible for receiving and disbursing the Commonwealth funding granted towards Waterproofing Northern Adelaide, an initiative to provide infrastructure to integrate stormwater, wastewater and drinking water systems in the Northern Adelaide region.

The Waterproofing Northern Adelaide Regional Subsidiary applied to the Minister in the 2012 Financial Year to be wound up and this subsequently occurred in the 2013 Financial Year. The remaining funds were distributed to the constituent councils during the financial year and the regional subsidiary is no longer recognised as an Equity Accounted Investment in the City of Salisbury Financial Statements.

	2014 \$'000	2013 \$'000
<b>Waterproofing Northern Adelaide Regional Subsidiary</b>		
Council's respective interests are:		
- interest in the operating result	0%	33%
- ownership share of equity	0%	33%
- the proportion of voting power	0%	33%
<b>Movements in Investment in Joint Operation</b>	<b>\$'000</b>	<b>\$'000</b>
Opening Balance	-	3
Share in Operating Result	-	(3)
<b>Share in Equity of Joint Operation</b>	<b>-</b>	<b>-</b>

### Expenditure Commitments

There is no expenditure committed at the reporting date that is not recognised in the financial statements as liabilities.

### Contingent Liabilities

There are no contingent liabilities.

### Northern Adelaide Waste Management Authority

Manages the waste collection, recycling and waste disposal for the Cities of Salisbury and Playford and the Town of Gawler.

	2014 \$'000	2013 \$'000
<b>Northern Adelaide Waste Management Authority</b>		
Council's respective interests are:		
- interest in the operating result	58%	59%
- ownership share of equity	58%	59%
- the proportion of voting power	33%	33%
<b>Movements in Investment in Joint Operation</b>	<b>\$'000</b>	<b>\$'000</b>
Opening Balance	2,222	705
Share in Operating Result	969	1,517
<b>Share in Equity of Joint Operation</b>	<b>3,191</b>	<b>2,222</b>

### Expenditure Commitments

The below amounts represent 100% of the Northern Adelaide Waste Management Authority's expenditure (of which the City of Salisbury's interest is 58%) committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:

#### Operating Expenditure Commitments

	2014 \$'000	2013 \$'000
Audit Services	6	8
Waste Collection Contract	28,734	39,149
Waste Processing	15,741	16,958
Supply Mobile Garbage Bins	1,061	1,275
	<b>45,542</b>	<b>57,390</b>

#### Operating Expenditures Payable

	2014 \$'000	2013 \$'000
Not later than one year	12,409	11,478
Later than one year and not later than 5 years	29,403	45,912
Later than 5 years	3,730	-
	<b>45,542</b>	<b>57,390</b>

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

## Note 19 (cont) - EQUITY ACCOUNTED COUNCIL BUSINESSES

### Lease payment commitments of the authority

The Authority has re-negotiated its operating lease for the Edinburgh North Site where the Waste Processing Facilities and Office building is located. The new lease term is ten years and is a combined lease of the total site.

No contingent rentals were paid during the current or previous reporting periods. No lease imposes any additional restrictions on the Authority in relation to additional debt or further leasing.

No lease contains any escalation clause.

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

	2014 \$'000	2013 \$'000
Not later than one year	530	426
Later than one year and not later than 5 years	2,821	2,580
Later than 5 years	3,527	3,292
	<u>6,878</u>	<u>6,298</u>

### Potential Insurance Losses

The Authority insures against all know 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.

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

### Legal Expenses

All known costs have been recognised.

### Council Solutions

Established by the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully in December 2012, this regional subsidiary has been established for the purposes of providing a centre of excellence in procurement and to provide services to the Constituent Councils.

	2014 \$'000	2013 \$'000
<b>Council Solutions</b>		
Council's respective interests are:		
- interest in the operating result	16.67%	16.67%
- ownership share of equity	16.67%	16.67%
- the proportion of voting power	16.67%	16.67%
<b>Movements in Investment in Joint Operation</b>	<b>\$'000</b>	<b>\$'000</b>
Opening Balance	61	-
Share in Operating Result	61	61
<b>Share in Equity of Joint Operation</b>	<u>122</u>	<u>61</u>

### Expenditure Commitments

There is no expenditure committed at the reporting date that is not recognised in the financial statements as liabilities.

### Contingent Liabilities

There are no contingent liabilities.

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2014

## **Note 20 - CONTINGENCIES AND ASSETS AND LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION**

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

### **Land Under Roads**

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

### **Bank Guarantees**

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$31,596 (2013: \$50,864) at reporting date. Bank Guarantees amounting to \$3,020,000 had been issued in favour of the Commonwealth Government Department of Families, Housing, Community Services and Indigenous Affairs as security for equivalent grants under the Housing Affordability Fund. These Guarantees have expired and cancelled as at 31 October 2013.

### **Cemetery**

Council operates a Cemetery Facility - Salisbury Memorial Park. A Contingent Liability exists for the ongoing maintenance of this Cemetery. This liability remains for a period of 50 years after the expiry of the lease on the last burial of the site. In addition, Council has negotiated a new lease of the Mausoleum, requiring the facility to be maintained by the lessee. The lessee will continue to contribute to the Perpetual Care Fund to ensure that maintenance of the facility for the next 100 years is funded. The contribution value will be assessed twice during the proposed lease period for adjustment purposes to ensure the Fund will be sufficient to provide for the ongoing maintenance of the Mausoleum.

# Certificates, Statements & Reports



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## Independent Auditor's Report to the Members of the City of Salisbury

We have audited the accompanying financial report of the City of Salisbury, which comprises the Statement of Financial Position as at 30 June 2014, the Statement of Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and Certification of the Financial statements as set out on pages 1 to 44.

### *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 and *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and for such internal control as the Chief Executive Officer determine is necessary to enable the preparation and fair presentation 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 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 Chief Executive Officer, 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.

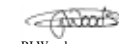
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Member of Deloitte Touche Tohmatsu Limited



### *Opinion*

In our opinion, the financial report of the City of Salisbury presents fairly, in all material respects, the Council's financial position as at 30 June 2014 and its financial performance for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

  
DELOITTE TOUCHE TOHMATSU

  
PJ Woods  
Partner  
Chartered Accountants  
Adelaide, 15 October 2014



# Certificates, Statements & Reports



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## Independent Assurance Report on Internal Controls to the Members of The City of Salisbury Council

We have audited the compliance of The City of Salisbury Council (the Council) with the requirements of *Section 125 of the Local Government Act 1999* in relation to the design and implementation of Internal Controls established by the Council to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2013 to 30 June 2014 are in accordance with legislative provisions.

### *The Council's Responsibility for the Internal Controls*

The Council is responsible for implementation and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities are in accordance with legislative provisions.

### *Our Responsibility*

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation to the design and implementation of Internal Controls, 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 to the design and implementation of internal controls for the period 1 July 2013 to 30 June 2014. 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 internal 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 internal controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of internal controls on a sample basis based on the assessed risks.

### *Limitation on 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 Internal Controls. 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 that for which it was prepared.

### *Inherent Limitations*

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with *Section 125 of the Local Government Act 1999* in relation to the design and implementation of Internal Controls, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with *Section 125 of the Local Government Act 1999* in relation to the design and implementation of Internal Controls are undertaken on a test basis.

The conclusion expressed in this report has been formed on the above basis.

Liability limited by a scheme approved under Professional Standards Legislation.  
Member of Deloitte Touche Tohmatsu Limited



### *Independence*

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

### *Opinion*

In our opinion, the Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to the design and implementation of Internal Controls, established by the Council to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2013 to 30 June 2014 are in accordance with legislative provisions.

*Deloitte Touche Tohmatsu*  
DELOITTE TOUCHE TOHMATSU

PJ Woods  
Partner  
Chartered Accountants  
Adelaide, 15 October 2014

# Certificates, Statements & Reports

**Deloitte.**

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Mr John Harry  
Chief Executive Officer  
City of Salisbury  
12 James Street  
SALISBURY SA 5108

14 October 2014

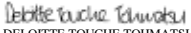
Dear Members


**City of Salisbury**

In accordance with the Local Government (Financial Management) Regulations 2011, I am pleased to provide the following declaration of independence to the councillors of the City of Salisbury.

I confirm that, for the audit of the financial statements of the City of Salisbury for the 30 June 2014 financial year, 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, and in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

Yours sincerely

  
DELOITTE TOUCHE TOHMATSU

  
Penny Woods  
Partner  
Chartered Accountants

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Member of Deloitte Touche Tohmatsu Limited

**City of Salisbury**

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

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the City of Salisbury for the year ended 30 June 2014, the Council's Auditor, Deloitte Touche Tohmatsu, 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*.

  
John Harry  
CHIEF EXECUTIVE OFFICER

  
Peter Brass  
PRESIDING MEMBER  
AUDIT COMMITTEE

Date: 14/10/2014

# Council Solutions Regional Authority

## **Certification of Financial Statements**

### **Principal Financial Statements**

Statement of Comprehensive Income  
Balance Sheet  
Statement of Changes in Equity  
Cash Flow Statement

### **Notes to, and forming part of, the Principal Financial Statements**

Note 1 - Significant Accounting Policies  
Note 2 - Income  
Note 3 - Expenses  
Note 4 - Current Assets  
Note 5 - Liabilities  
Note 6 - Reconciliation to Cash Flow Statement  
Note 7 - Financial Instruments

Council Solutions Regional Authority's Certificate of Audit Independence  
Audit Certificate of Audit Independence  
Audit Report

# **Council Solutions Regional Authority**

## **Certification Of Financial Statements**

**for the year ending 30 June 2014**

I have been authorised by the Council Solutions Regional Authority Board to certify the financial statements of the Council Solutions Regional Authority in their final form. In my 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 Solutions Regional Authority's financial position at 30 June 2014 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council Solutions Regional Authority's accounting and other records.



.....  
Catherine Cooper  
**Chair Of The Board**

Date: 17 September 2014

# Council Solutions Regional Authority

Statement of Comprehensive Income for the year ending 30 June 2014

	Notes	For the 12 months to 30 June 2014 \$'000	For the 6 months to 30 June 2013 \$'000
<b>Income</b>			
Investment Income	2	12	-
Rebates	2	1,099	493
Other Income	2	-	1
<b>Total Income</b>	2	<b>1,111</b>	<b>494</b>
<b>Expenses</b>			
Materials, contracts & other expenses	3	748	272
<b>Total Expenses</b>	3	<b>748</b>	<b>272</b>
<b>Operating Surplus</b>		<b>363</b>	<b>222</b>
<b>Net Surplus</b>		<b>363</b>	<b>222</b>
<b>Total Other Comprehensive Income</b>	2	-	-
<b>Total Comprehensive Income</b>		<b>363</b>	<b>222</b>

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

# Council Solutions Regional Authority

Balance Sheet as at 30 June 2014

	Notes	2014 \$'000	2013 \$'000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	615	3
Receivables	4	408	441
<b>Total Current Assets</b>	4	<b>1,023</b>	<b>444</b>
<b>Total Assets</b>	4	<b>1,023</b>	<b>444</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	5	87	5
Other Current Liabilities	5	208	74
<b>Total Current Liabilities</b>	5	<b>295</b>	<b>79</b>
<b>Total Liabilities</b>	5	<b>295</b>	<b>79</b>
<b>Net Assets</b>		<b>728</b>	<b>365</b>
<b>Equity</b>			
Accumulated Surplus		585	222
Share Capital		143	143
<b>Total Equity</b>		<b>728</b>	<b>365</b>

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



# Council Solutions Regional Authority

Statement of Changes in Equity as at 30 June 2014

	Initial Contribution by Owners \$'000	Accumulated Surplus \$'000	Total \$'000
<b>2014</b>			
Opening Balance	143	222	365
Net Surplus for Year	-	363	363
Balance at end of period	143	585	728

	Initial Contribution by Owners \$'000	Accumulated Surplus \$'000	Total \$'000
<b>2013</b>			
Opening Balance	-	-	-
Net Surplus for Year		222	222
Transactions with Owners in their Capacity as Owners;			
Initial Contribution by Owners	143		143
Balance at end of period	143	222	365

# Council Solutions Regional Authority

Cash Flow Statement for the Year Ending 30 June 2014

		For the 12 months to 30 June 2014 \$'000	For the 6 months to 30 June 2013 \$'000
	Notes		
<b>Cash Flows From Operating Activities</b>			
Receipts			
Operating receipts		1,133	3
Investment Receipts		12	-
Payments			
Operating payments to suppliers & employees		(532)	-
<b>Net Cash provided by (or used in) Operating Activities</b>	6	<b>612</b>	<b>3</b>
<b>Net Increase (Decrease) in cash held</b>		<b>612</b>	<b>3</b>
Cash & cash equivalents at beginning of period		3	-
<b>Cash &amp; cash equivalents at end of period</b>	4	<b>615</b>	<b>3</b>

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

# Council Solutions Regional Authority

Notes to and forming part of the Financial Statements for the year ending 30 June 2014

## Note 1 - Significant Accounting Policies

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.

Council Solutions Regional Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils and their respective share of equity are as follows:

Constituent Council	Equity Share
Adelaide City Council	16.67%
City of Charles Sturt	16.67%
City of Marion	16.67%
City of Onkaparinga	16.67%
City of Salisbury	16.67%
City of Tea Tree Gully	16.67%

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. The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 1 May 2011.

## 1 Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs. All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

## 2 Income recognition

Rebate Income is recognised when the Constituent Councils enter into the purchase of a good or service from a Supplier contracted to provide the Authority (or in the case of some prior contracts that were created jointly between the six constituent Council) with a Rebate.

## 3 Cash, Cash Equivalents and other Financial Instruments

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

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.

## 4 Infrastructure, Property, Plant & Equipment

The Authority did not procure any non-current assets during the reporting period and does not hold any non-current assets as at the reporting date.

## 5 Employee Benefits

All employees are employed through Adelaide City Council, one of the Constituent Councils. Those employees are then contracted to the Authority.

# Council Solutions Regional Authority

Notes to and forming part of the Financial Statements for the year ending 30 June 2014

## 6 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.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

## 7 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards.

## 8 Critical Accounting Estimates and Judgements

The Authority evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the authority.

Accounts receivable are reviewed at each reporting date to establish the collectability.

## 9 New Accounting Standards

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

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

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

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

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

# Council Solutions Regional Authority

Notes to and forming part of the Financial Statements for the year ending 30 June 2014

## Note 2 - Income

	For the 12 months to 30 June 2014 \$'000	For the 6 months to 30 June 2013 \$'000
<b>Investments</b>		
Interest Income	12	-
	<u>12</u>	<u>-</u>
<b>Rebates</b>		
Rebates	1,099	493
	<u>1,099</u>	<u>493</u>
<b>Other Income</b>		
Reimbursements	-	1
	<u>-</u>	<u>1</u>

## Note 3 - Expenses

	For the 12 months to 30 June 2014 \$'000	For the 6 months to 30 June 2013 \$'000
<b>Materials, Contracts &amp; Other Expenses</b>		
Advertising	8	5
Audit Fees	7	5
Catering	2	-
Contractors	73	9
Consultant Fees	59	9
Entertainment Costs	3	2
Fringe Benefits Tax	3	4
Insurance	26	15
IT Expenses	8	-
Legal Fees	22	7
Membership Fees & Subscriptions	6	-
Motor Vehicle	6	-
Recruitment	38	10
Reimbursements - Salary & Wages	455	167
Sitting Fees	13	-
Sundry	13	4
Telephone	4	3
Training and Development	3	31
	<u>748</u>	<u>272</u>

# Council Solutions Regional Authority

Notes to and forming part of the Financial Statements for the year ending 30 June 2014

## Note 4 - Current Assets

	2014 \$'000	2013 \$'000
<b>Cash &amp; Cash Equivalents</b>		
Cash at Bank	615	3
	<b>615</b>	<b>3</b>
<b>Receivables</b>		
Accounts Receivables	21	28
Accrued Income	378	206
Receivable from Adelaide City Council - Initial Contribution	-	143
Receivable from Adelaide City Council - Cash Collected on Behalf of Council Solutions	9	64
	<b>408</b>	<b>441</b>
<b>Total Current Assets</b>	<b>1,023</b>	<b>444</b>

## Note 5 - Liabilities

	2014 \$'000	2013 \$'000
<b>Trade &amp; Other Payables</b>		
Creditors	82	-
Accruals	5	5
	<b>87</b>	<b>5</b>
<b>Other Current Liabilities</b>		
Income Protection & Journey Insurance	-	2
Payable to Adelaide City Council	208	72
	<b>208</b>	<b>74</b>
<b>Total Liabilities</b>	<b>295</b>	<b>79</b>

## Note 6 - 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.

	2014 \$'000	2013 \$'000
Cash at Bank	615	3
<b>Balances per Cash Flow Statement</b>	<b>615</b>	<b>3</b>

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

Net Surplus	363	222
Net (increase)/decrease in Receivables	33	(298)
Net increase/(decrease) in Current Liabilities	216	79
<b>Net Cash provided by (or used in) operations</b>	<b>612</b>	<b>3</b>



# Council Solutions Regional Authority

Notes to and forming part of the Financial Statements for the year ending 30 June 2014

## Note 7 - Financial Instruments

### (a) Interest Rate Risk

The Authority's exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rates on those applicable financial assets and liabilities is as follows;

2014	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instrument s	Fair Value of Fixed Interest rate instruments maturing within One Year	Fair Value of Fixed Interest rate instruments maturing Due > 1 less 5 Yrs	Fair Value of Fixed Interest rate instruments maturing Due > 5 Yrs	Fair Value of Non- Interest Bearing Instruments
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>						
Cash	2.3%	615	-	-	-	-
Receivables	0.0%	-	-	-	-	408
<b>Total Financial Assets</b>		<b>615</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>408</b>
<b>Financial Liabilities:</b>						
Creditors and Provisions	0.0%	-	-	-	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

2013	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instrument	Fair Value of Fixed Interest rate instruments maturing within One Year	Fair Value of Fixed Interest rate instruments maturing Due > 1 less 5 Yrs	Fair Value of Fixed Interest rate instruments maturing Due > 5 Yrs	Fair Value of Non- Interest Bearing Instruments
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>						
Cash	2.3%	3	-	-	-	-
Receivables	0.0%	-	-	-	-	441
<b>Total Financial Assets</b>		<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>441</b>
<b>Financial Liabilities:</b>						
Creditors and Provisions	0.0%	-	-	-	-	5
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>

### (b) Credit Risk

Credit Risk represents the loss that would be recognised if other entities failed to perform as contracted.

The Authority's exposure to credit risk is limited to receivables - the Authority's maximum exposure is disclosed in the financial statements net of any provision for doubtful debts

### (c) Net Fair Value

The net fair value of a financial instrument is defined as its value net of all costs to settle the asset and liability.


The financial assets and liabilities as stated or referred to in notes (a) and (b) above, are stated at their face value (less provision for doubtful debts if applicable).

Due to the nature of financial instruments held in the Authority, the cost associated with their settlement would not be material and have not been considered.

**COUNCIL SOLUTIONS REGIONAL AUTHORITY  
CERTIFICATION OF AUDITOR INDEPENDENCE  
for the year ending 30 June 2014**


To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Council Solutions Regional Authority for the year ended 30 June 2014, the Council's Auditor, BDO, 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)(b) Local Government (Financial Management) Regulations 2011.

  
Catherine Cooper  
CHAIR

Date:

29/8/14.

  
Tanya Johnston  
PRESIDING MEMBER OF AUDIT COMMITTEE

Date:

Peter Smith  
CHIEF EXECUTIVE OFFICER  
Adelaide City Council

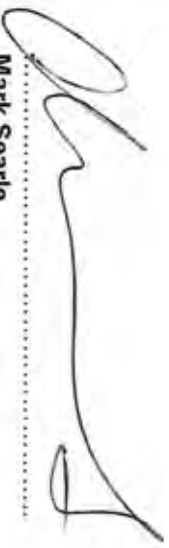
Date: 15/9/14

  
Mark Dowd  
CHIEF EXECUTIVE OFFICER  
City of Onkaparinga

Date:

19 September 2014

  
Mark Withers  
CHIEF EXECUTIVE OFFICER  
City of Charles Sturt

  
Mark Searle  
CHIEF EXECUTIVE OFFICER  
City of Marion

Date:

2/9/14

  
John Harry  
CHIEF EXECUTIVE OFFICER  
City of Salisbury

Date:

19/9/2014.

  
John Moyle  
CHIEF EXECUTIVE OFFICER  
City of Tea Tree Gully

Date:

29<sup>th</sup> August 2014



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AUSTRALIA

**AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 22(5) OF THE LOCAL  
GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 2011  
TO COUNCIL SOLUTIONS REGIONAL AUTHORITY**

I confirm that, for the audit of the financial statements of Council Solutions Regional Authority for the period ended 30 June 2014, I have maintained by 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.

A handwritten signature in black ink, appearing to read 'G K Edwards', is written over a horizontal line.

G K Edwards  
Director

**BDO Audit (SA) Pty Ltd**

Adelaide, 23 September 2014



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AUSTRALIA

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF THE COUNCIL SOLUTIONS REGIONAL AUTHORITY

We have audited the accompanying financial report of Council Solutions Regional Authority, which comprises the balance sheet as at 30 June 2014, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification of the financial statements by the Chair of the Board.

### Management's Responsibility for the Financial Report

Management 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 (Finance Management) Regulations 2011*, and for such internal controls as management determine is necessary to enable the preparation and fair presentation 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 about 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 controls 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.



## Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Council Solutions Regional Authority as at 30 June 2014, and its financial performance and cash flows for the period then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Finance Management) Regulations 2011*.

A stylized signature in blue ink that reads 'BDO'.

BDO Audit (SA) Pty Ltd

A handwritten signature in blue ink that appears to read 'G K Edwards'.

G K Edwards  
Director

Adelaide, 23 September 2014





CITY OF  
**Salisbury**



# Regional Subsidiary Report Summary

Northern Adelaide Waste Management Authority (NAWMA)





NAWMA  
NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

# ANNUAL REPORT 2013 - 2014

## Cover

Our roving ambassador, Nawma, with young visitors at the Environment Education Centre

## Mission Statements

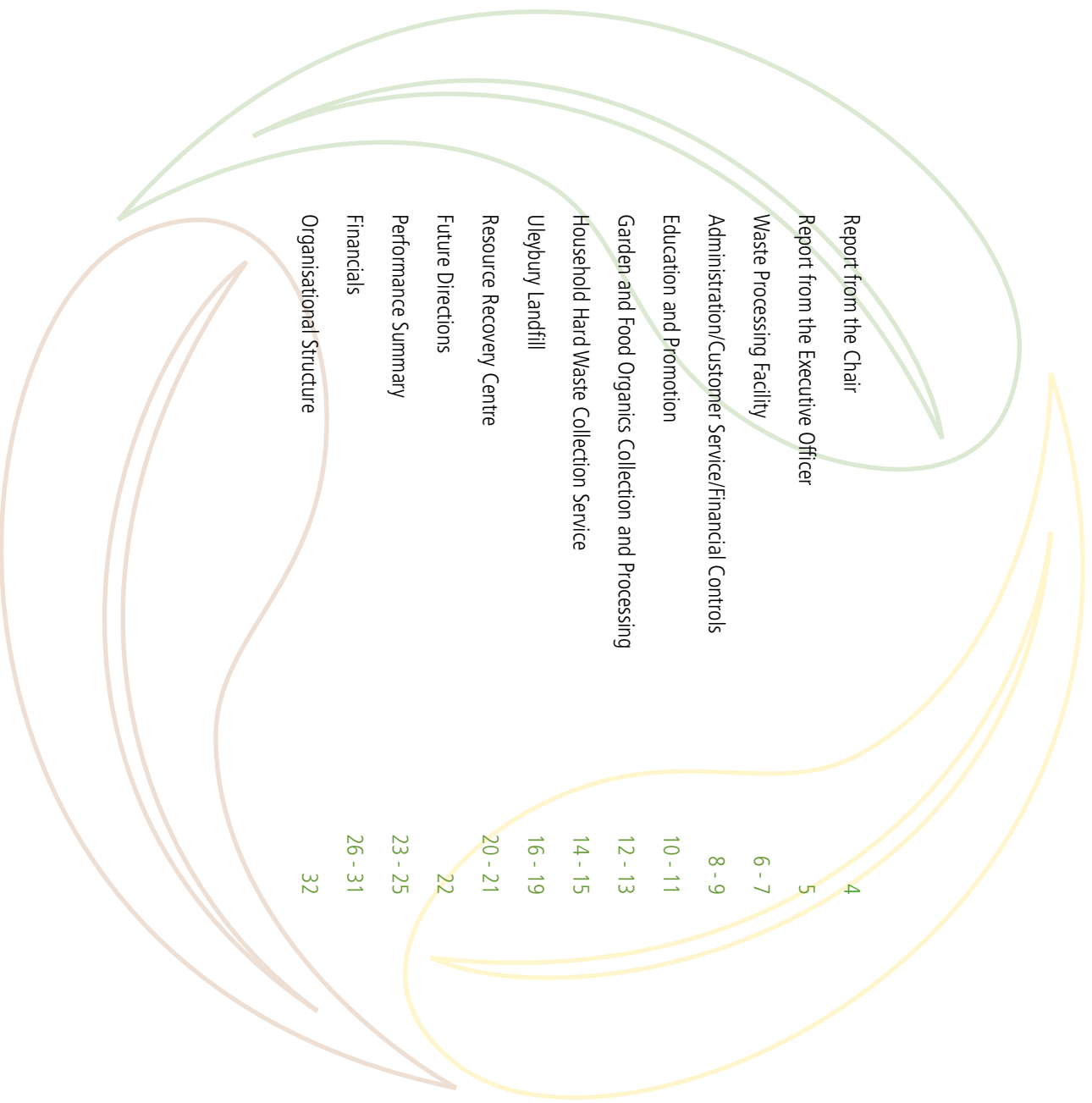
### Operations

To work together with the constituent Councils to facilitate responsible waste and resources management within the Northern Adelaide Region of Local Government.

### Education

To help communities understand the importance of responsible waste and resources management.

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## Report from the Chairman

Over the past 15 years, NAWMA's operations have evolved in response to a Master Plan of continuous improvement to deliver best practice in waste management.

In that period, the Authority has operated strategically in an environment of extraordinary expansion in residential and commercial development in the northern region of Adelaide. It has confronted challenges and grasped business opportunities while minimising the amount of waste being sent to landfill.

Throughout that period, it has continued to inform a growing customer base of our shared contribution to responsible waste management.

NAWMA's achievements in the most recent reporting period culminate the 2000-2015 Master Plan. They stand as a crowning monument to the vision and commitment of a succession of dedicated Board members and staff to the best waste management outcomes for our constituent and client Councils and their communities, and the environment as a whole.

Those achievements are outlined in detail in this Annual Report and they illustrate excellence in financial and operational planning and management. The operating



surplus also reflects the fact that NAWMA has been able to operate in 2013-14 with relative stability in terms of prices for recycled products. With a growing customer base, and reliability in prices, it has been a good

year for business. However, we must be prepared for unpredictability in the marketplace for recycled products and the varying costs of clean fill required for civil works at our Uleybury landfill.

Similarly, we must keep abreast of emerging technologies and systems that can offer new sophistication and solutions in our business.

During the most recent reporting period, the NAWMA Board and management have worked on a strategy that will equip the Authority to meet the challenges ahead as we strive to conduct our business to even higher levels of environmental and economic sustainability.

This focus has resulted in the development of NAWMA's Regional Waste Management Strategy 2015-20 that will support policies and procedures aimed specifically at maximising resource recovery while reducing residual waste being sent to landfill. The new strategy will guide our decision-making processes as we continue to work with our Councils and communities to maintain excellence in waste management.

I thank our Board members, management and staff for their outstanding commitment and achievements over the past year. The outcomes are the foundation for NAWMA to enter an exciting new phase as we advance our resource recovery capabilities.



**Councillor Brian Goodall**

## Report from the Executive Officer

Building on positive results from previous years, NAWMA had a substantially improved operational outcome in the latest reporting period. This is reflected in the audited financial accounts showing an operating surplus of \$1.685 million. The surplus was achieved primarily from the following factors:

- the central location of NAWMA's waste processing facilities, including the landfill. The facilities are based in areas of major domestic and commercial growth and NAWMA is now reaping the benefits of increased business from its prudent planning decisions.
- trading conditions during the year favoured NAWMA. For example, market prices for fibre product, such as paper and cardboard, were reasonably stable. Similarly, material required for the landfill, such as clean fill, remained at around 4,000 tonnes per month, or 53,000 tonnes for the financial year.
- efficiencies generated by the Authority's program of continuous self-improvement provided significant cost savings.

The budgets of constituent Councils were again well managed with each coming in under cost forecasts for the reporting period.

NAWMA's solid financial performance has placed it in a sound position to meet post closure landfill liabilities stipulated by the EPA along with accumulated funds for approved capital works.

NAWMA has received supportive and encouraging comments from residents regarding the high standard of management and operation of the Resource Recovery Centre. During the past year, 16,000 paying customers accessed the facility to deliver green waste and general waste. Customers appreciated the ability to tip indoors in a safe environment with easy, well-defined traffic flows.

This is very positive feedback that justifies the time spent in planning and design of the facility.

During the year, the opportunity arose to re-organise the administration of NAWMA with a focus on further improvements to customer service, governance matters, and Work, Health and Safety compliance. A new manager was appointed to oversee this transition with beneficial results becoming increasingly evident.

The Authority has accumulated extensive operational experience, knowledge and necessary approvals over the years to the extent that reliance on contractors is reducing. As contracts expire, such as the Material Recovery Facility for the sorting of recyclables in December 2016, NAWMA will be able to operate the facility in its own right. Therefore, the next two years in particular will see some exciting and rewarding challenges for the Authority.

**Brian King**



Brian King (centre) with Administrative Services Manager, Peter Oye, and Manager Operations, David Diprose

# Waste Processing Facility

## Baling Operation

The waste baling plant received an 8 per cent increase in tonnages in the reporting period. The additional 6,000 tonnes was evenly spread across the two main waste streams of municipal solid waste and commercial and industrial waste.

In addition, there was a 26 per cent increase in the quantity of difficult-to-bale waste material that was diverted to SITA ResourceCo for further processing. Of the 80,000 tonnes received, 7,300 tonnes was diverted. Although this incurs an additional transport cost, it avoids payment for landfill disposal, and therefore of the State Waste Levy that increases by more than 10 per cent each year.

To assist in achieving transport cost efficiencies, a 40 cubic metre waste packer has been installed in the baling plant. The compacted material achieves a transport saving at a ratio of 2.5 to 1, which justifies

additional work in loading the material for transport to Wingfield.

NAWMA's spare parts inventory for the baler has been complemented by essential electrical equipment from Spain. This means the Authority has satisfied its critical parts list covering the majority of repair/breakdown events.

In April 2014, tender documents were prepared for the change over of the two baling plant front-end loaders (FELs). Five tenders were sought with purchase and leasing options for comparison.

Tenders were received from four companies with one withdrawing. Komatsu, the company that supplied the existing two FELs, was awarded the tender for operating leases on two new machines. Both machines were delivered during early July 2014.







### **Material Recovery Facility (MRF)**

During the past year, the kerbside collection contractor, SITA Environmental, delivered to NAWMA a total of 20,885 tonnes of recyclables from Gawler, Playford and Salisbury Councils. An additional 7,500 tonnes were sourced from client or rural Councils.

In the same period, around 15,770 tonnes of mixed paper products were either exported or forwarded to Visy's mills for processing. This generated a financial return to NAWMA of \$310,000. This return represented a 30 per cent increase from the previous year, illustrating the volatile nature of the marketplace for paper product.

### **MRF business opportunity**

NAWMA and its constituent Councils recognise that an opportunity exists for a far greater financial return from the sale of recyclable product should the Authority operate the MRF in its own right.

Subsequently, a thorough investigation was conducted over the past two and a half years and the project has now received all of the necessary approvals to proceed. NAWMA will commence operation of the MRF on 1 January 2017 on completion of the current contract with Visy.



## Administration



### Customer Service

Customer service is the primary administrative focus of NAWMA in support of the various waste management operations provided on behalf of the Authority's constituent and client Councils. Workplace Health and Safety for staff members, contractors and the public at NAWMA sites is also a priority.

Customer service includes timely and efficient responses to requests received via the 1800 free call service, e-mails and face-to-face engagement at the Edinburgh North facility. After hours inquiries are directed to North Adelaide, which e-mails overnight and Answering Adelaide, which e-mails overnight and weekend activity reports to NAWMA prior to the start of each business day.

NAWMA also implements extensive public awareness activities and education programs on waste management. However, the rapid urban growth occurring in the northern Adelaide region, together with an increased participation in hard waste and garden waste programs, has resulted in a growing level of customer inquiries.



NAWMA now manages kerbside waste, recycling and garden waste services for 114,860 properties throughout the Barossa, Gawler, Playford and Salisbury Council areas. Almost 300,000 individual bins require delivery, registration, emptying, maintenance and replacement.

This generates over 200 telephone inquiries each working day for information relating to the following (in order of volume):

- hard waste services;
- general inquiries;
- calendar requests;
- garden waste services;
- education and promotion activities; and
- service complaints.

More than 80 per cent of telephone inquiries are on the 1800 free call service. Service complaints comprise approximately 4.2 per cent of all calls. Complaints are actioned immediately via an on-line work scheduling software program linking NAWMA with the collection contractor.

### Mobile Garbage Bin (MGB) support

MGB requests for new, replacement or repairs numbered 7,142 during 2013-14. This consisted of:

- 3,486 waste and recycling MGBs to new residents;
- 2,394 replacement MGBs for stolen or damaged bins; and
- 1,262 repairs to MGBs.

### Workplace Health and Safety (WH&S)

Growth in business activity has resulted in a significant increase in public and contractor vehicular movement at the Edinburgh North Site. This, along with recent changes to the Workplace Health and Safety legislation, prompted a review of how WH&S matters are managed holistically for all organisations operating on the site.

An external consultant was engaged to assist in developing terms of reference for a management group with representation from all major contractors on site. In February 2014, the Site Management Committee was formed and it meets regularly to identify and find solutions to WH&S and efficiency-related matters.

Some of the initial positive outcomes from deliberations of the Site Management Committee include:

- installation of a moveable barrier to separate public vehicles from heavy truck movement during high public traffic times on site;
- installation of additional signage and pedestrian activated lighting to increase foot traffic safety on site;
- enhancement of safety procedures for visitors to the Environment Education Centre;
- improved visual guides for reversing trucks;
- a standard process to record all incidents on site regardless of which contractor is involved;
- improved safety on the access platform to the baling plant; and
- installation of warning lights to control truck movements into the baling shed loading area.

### The year ahead

In 2014-15 there will be an emphasis on systems that underpin accountable customer service.

Firstly, a new weighbridge software and communication system will ensure more efficient and accurate reporting. Importantly, the weighing process will become far less complex for the vehicle operators.

Secondly, a new telephone management system will be commissioned to enable a detailed analysis of customer calls. This will allow better management of responses and more reliable analysis of key performance indicators.

Attaining process consistency between the three constituent Councils will also be an administrative objective for 2014-15.



# Education and Promotion



Activity levels in the Environment Education Centre (EEC) and at the Uleybury landfill viewing platform continue to grow as schools and community groups become more aware of the quality of NAWMA's facilities and staff presentations, and the importance of responsible resource and waste management.

NAWMA will build a new EEC in 2015 to accommodate the increased level of activity that is being experienced. This also represents an opportunity to update and improve interactive displays used in the education program.

## Presentations

Over the reporting period, our roving ambassador, Nawma, with assistance from Authority staff members, conducted a range of promotional and educational activities.

Visitors from within the region to the EEC at Edinburgh North included 1,881 children in 90 separate groups and 644 adults.

Visits to schools and community groups within the region involved 68 sessions for 2,642 children – nearly double the number of young participants in the 2012-13 period – and 593 adults. Twenty one sessions were presented in the EEC for interested groups from outside the region, including 241 children and 261 adults. This included 12 sessions held in the Barossa Valley for 235 children and 213 adults.

In total, 179 sessions, representing a 15 per cent increase on the previous year, were held for 4,764 children and 1,498 adults. Compared to the previous reporting period, this is a 43 per cent increase in participants. This clearly supports the development of new, larger education facilities.



## Web Site

The NAWMA website is constantly updated to feature forthcoming events. More recently, the website promoted the Hazardous Waste Collection Day in September and the National Garage Sale Trail in October.

NAWMA is also working on a link for residents to be able to download the My-Waste App directly onto their home computers as well as their mobile telephones.

This is a new way for NAWMA to connect with residents on resource recovery and waste diversion programs. Information on the App can be updated as required to ensure it is always current.



## RRC Tours

The new Resource Recovery Centre and Salvage & Save shop at NAWMA's Edinburgh North site have been a popular addition for Seniors Groups to visit instead of going to the landfill. A dynamic ribbon light display in the EEC is used to explain the workings of the landfill. In the past year, 10 adult groups toured the RRC including three from the Barossa region.





## Garden and Food Organics Collection and Processing



In the reporting period, there was a 13 per cent increase in organics collected from the kerbside. A total of 18,763 tonnes were collected from households, an increase of 2,173 tonnes. At 30 June 2014, 43.4 per cent of households in the region participated in this voluntary service in which residents register and provide their own MGB.

In addition, 10,800 tonnes of organics comprising street sweepings, stormwater silt and bulk garden organics

were collected at the Salisbury Waste Transfer Station and NAWMA's Resource Recovery Centre. This was an increase of 58 per cent over the previous year. The organic material was delivered to Jeffries for processing.

It is encouraging to see the increase in tonnages collected, particularly as it is a major objective of NAWMA to reduce carbon emissions from its landfill by re-directing organics to recycling.

Furthermore, maintaining organic tonnages for processing above 20,000 tonnes per annum entitles NAWMA to a discounted rate from Jeffries, which represents a cost saving for Councils.

All Councils recorded an increase in participation in the collection service representing an additional 2,560 households across the region.

The Salvage & Save operation located at the Resource Recovery Centre provides a service for residents by selling MGBs suitable for the garden and food organics collection service. Over the reporting period 2,144 240 litre bins were sold (633 were collected and 1,511 delivered).





## Household Hard Waste Collection Service



There has been a regional increase in kerbside hard waste collection and uptake of the Salisbury voucher system for the Research Road Waste Transfer Station. Along with steady growth in utilisation of the NAWMA waste transfer station, the indications are that residents are making greater use of services and facilities for disposal of hard waste material.

### Participation

Participation in the household collection of hard waste again increased in the Playford Council area while there was a slight decline in the City of Salisbury. However, this decline was more than offset by an increase in utilisation of the free voucher system.

Compared to the 2012-13 financial year, the increase in participation in the City of Playford was 9.32 per cent, representing 788 more households. The Salisbury decrease was 4.21 per cent, or 166 less households. Playford had 9,241 households (25.32

per cent) participating in the service. Salisbury had 3,777 households (6.54 per cent) take up the option of collection. Household collection in Salisbury incurs a cost to residents of \$10 per household while 8,043 households (13.92 per cent) elected to use the voucher system.

### Average Weights/Quantities of Hard Waste

The average weight of hard waste collected was originally expected to be in the vicinity of 100kg per collection, based on the Adelaide average. Both Council areas exceeded this level during the 2013-14 collection period.

Playford recorded 112.8kg per collection, plus mattresses (one in every 4.8 collections) along with E-Waste (one per 2.5 collections). Salisbury was significantly above the Adelaide average at 171.6kg per collection, plus mattresses (one per 2.5 collections) and E-Waste (one per 1.7 collections).



Refer to the spreadsheet below for a summary of material collected.

Hard Waste	Salisbury		Playford	
Years	12 / 13	13 / 14	12 / 13	13 / 14
Participation	3943	3777	8453	9241
Residual Waste (tonnes)	458.67	605.74	637.45	918
Steel (tonnes)	55.06	42.32	106.74	123.97
Mattresses	938	1537	1657	1963
E Waste TVs	1371	1196	2397	2106
Monitors	306	305	616	491
Towers	120	219	160	309
Other	503	548	624	854
Vouchers	7617	8043		

Regionally, the year on year trend has seen steel and E-Waste levels remain stable. However, there has been a sharp increase in mattresses (35 per cent) and residual waste (39 per cent), both of which impact on the budgeted expense for the program.

### Complaint statistics relating to hard waste

In managing complaints from residents, the NAWMA operator ascertains the nature of concern. Complaints relate to issues ranging from putting the wrong material out for collection to having excess material, or waiting for collections in progress.

NAWMA received 74 complaints from residents in Playford during the reporting period representing 0.8% of participants.

In Salisbury, there were 50 complaints representing 1.3 per cent of participants.

With Playford collections averaging 770 per month, and Salisbury at 315 per month, the complaint level is relatively low.

### Budget Performance

In terms of budget performance for the collection and disposal of hard waste, the following results were achieved in the reporting period.

In Salisbury, 131.88 per cent of the original budget forecast was expended. However, this does not include the cost impact of the voucher system on the waste transfer station. For Playford, 118.61 per cent of the original budget forecast was expended.

As previously stated, these budget over-runs are the result of sharp increases in the placement of mattresses and residual waste in both Council areas. The residual waste has a “double hit” due to increased transport and landfill components.

### Summary

More than 13,000 households were serviced with the kerbside collection of hard waste in the reporting period. This included collection of 1,690 tonnes of material, 3,500 mattresses and 6,028 E-waste items. Considering these statistics, service issues have been minimal.

In addition to the Playford and Salisbury Council areas, NAWMA in conjunction with SITA Environmental, also conducted a hard waste collection program for five major townships in Light Regional Council. This program was successful, and NAWMA has been engaged to carry out a similar program in the latter part of 2014.

# Uleybury Landfill

## Management of leachate

Leachate, or wastewater, is pumped from the base of the landfill into evaporation ponds at the Uleybury site. The leachate emanates from rain that descends through the waste. Excess leachate, which occurs when the evaporation ponds are too full, is transported to the Bolivar wastewater treatment plant for disposal.

In recent years, the two evaporation ponds, which can hold 2.25 megalitres (one megalitre equals one million litres), have regularly reached capacity. In the

reporting period, the transporting of excess leachate was necessary from July to September 2013. A total of 1.6 megalitres, or approximately 70 per cent of capacity, was carted to Bolivar. The carting and disposal costs totalled \$35,192.

Rainfall recorded on site during the 2013-14 financial year was 616mm. This was 125 per cent of the average rainfall recorded over the nine years of operation of the landfill, or 143 per cent of the previous year's total.





To provide additional storage capacity for leachate on site, NAWMA commenced an approval process in May 2011 for a third pond. This was conducted through the State Government's Department of Planning, Transport and Infrastructure and EPA. After a lengthy process, approval for the construction of the third pond was finally received on 10 January 2014. The 2 megalitres storage capacity of the new pond, will double the on-site storage capability at the landfill.

Construction of the third pond commenced on 29 January 2014. It includes a design similar to that utilised in the landfill cells where a combination of clay/GCL (clay blanket) and HDPE (heavy plastic liner) forms a composite liner system. Golder Associates oversaw

construction of the pond and completed independent Construction Quality Assurance (CQA) documentation. A report with final construction details, including CQA/survey data, is provided to the EPA for approval before use of the pond is permitted. This approval was provided on 13 June 2014, with the construction costing approximately \$150,000.

In the few days following approval from the EPA, 1.04 megalitres of leachate was pumped to the new pond, just covering its floor. This represented about 46 per cent of the capacity of the original two ponds, and would have cost around \$21,400 to remove off site.





## Final capping design

The cap, or lid, of the landfill is one part of the total containment system. With the liner, leachate control, and gas extraction elements, it forms the whole system. The key objective of the total containment system is to protect human health and the environment by minimising the movement of liquid and gas out of the landfill.

NAWMA engaged Tonkin Consulting to design a new capping system for the landfill called a phytocap.

Phytocaps, which are relatively new in landfills around the world, are vegetated soil covers that are designed

to store water during rainfall events. The combined effects of the sun and plants on the landfill then remove the water and return it naturally to the atmosphere. Phytocaps also reduce the escape of landfill gas.

Tonkin Consulting completed the cap design in February 2014. Like the lengthy process undertaken for the third leachate pond, construction of this new capping design requires the approval of the State Government's Department of Planning, Transport and Infrastructure and EPA.





## Landfill gas (LFG)

In December 2013, LMS Energy – the site LFG manager – confirmed that the NAWMA landfill had received accreditation as a Carbon Farming Initiative (CFI) project. The CFI accreditation allows the claiming of some carbon credits for the destruction of the LFG “over and above that necessary by the site’s licence”.

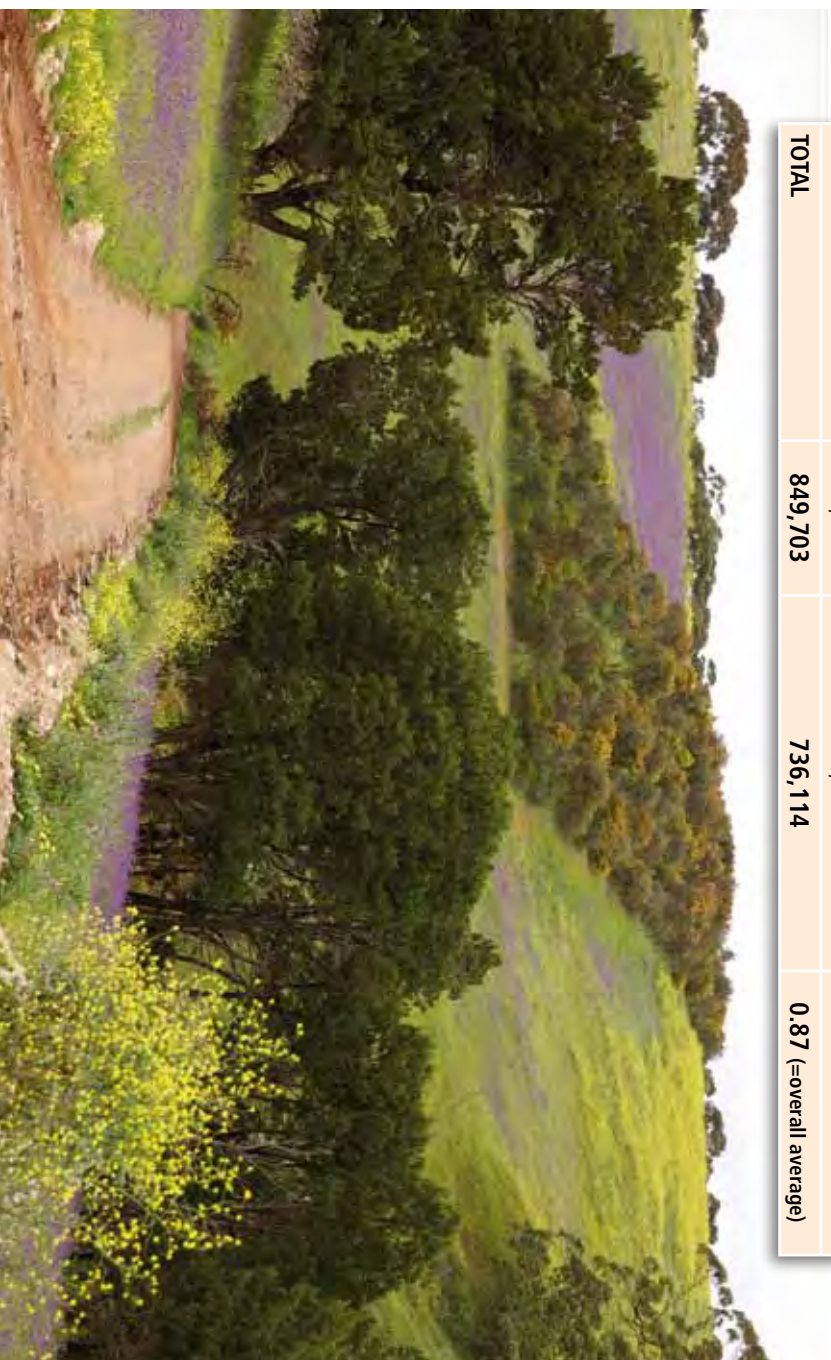
The destruction of landfill gas through the on-site flare increased in the 2013-14 year to 2,009,547 cubic metres, a rise of 6 per cent on the previous year.

## 2013-14 airspace consumption

The annual volumetric survey measuring the airspace consumed at the landfill (required as part of an annual return to the EPA) was completed at the end of the financial year.

The airspace consumed since the commencement of operations is shown below. Initial estimates were that two million cubic metres of airspace were available, and this will be verified on completion of the Stage 3 detailed design.

Airspace Consumption			
Period	Airspace Consumed (m <sup>3</sup> )	Tonnage during same period (t)	Compaction Ratio (tonnes WASTE Per m <sup>3</sup> )
2005-06 (including material 11 May from 05 to 30 June 05)	103,395	74,873	0.72
2006-2007	108,630	94,612	0.87
2007-2008	96,600	98,895	1.02
2008-2009	97,740	87,974	0.9
2009-2010	74,560	76,949	1.03
2010-2011	94,520	76,946	0.81
2011-2012	85,980	74,400	0.87
2012-2013	105,462	81,994	0.78
2013-2014	82,816	75,298	0.91
<b>TOTAL</b>	<b>849,703</b>	<b>736,114</b>	<b>0.87 (=overall average)</b>





## Resource Recovery Centre (RRC)

The 2013-14 financial year represented the first full twelve months of operation of the RRC. Some operational changes were implemented to improve efficiencies as well as some fine-tuning of casual staffing requirements. NAWMA now has a casual pool of experienced and trained people with improved on-site material handling.

### Performance report 2014

A key performance indicator for the RRC is the reduction of waste from landfill through efficient and effective resource recovery activities. At the completion of the financial year, the following was achieved:

- 21 tonnes of material were salvaged and sold in the Salvage & Save Shop;
- 362 tonnes of steel were collected and sold;

- 2,567 mattresses were processed with springs and foam marketed;
  - 76 tonnes of recyclables (cardboard, mattress foam) were marketed;
  - 352 tonnes of electronic waste were recycled;
  - 24,400 litres of waste oil were recycled;
  - 745 tyres were recycled;
  - 9 tonnes of car batteries were recycled;
  - 3,042 tonnes of garden waste was transported to Jeffries for processing into a compost product; and
  - 2,636 tonnes of residual waste were transported to SITA ResourceCo for processing into a fuel source.
- A total of 16,000 paying customers accessed the facility delivering green waste and general waste. A further 1,600 customers delivered recyclables only, which is free of charge service.





## Financial performance

The RRC is a fully mechanised operation. With an in-floor steel belt conveyor and 40 cubic metre compactors for garden organics and general waste, it is the most advanced facility for public use in the State.

This purpose built facility incurs a monthly lease cost of \$19,000 with the rental of compactors costing a further \$4,000 per month. It is a goal of NAWMA to achieve at least a break-even result in financial management of the RRC.

In the reporting period, the RRC achieved revenue of 7 per cent above expenditure. This is a positive outcome considering that gate prices have remained static for the

20 months in which the centre has been operating. The Board will review these prices early in 2015.

## Summary

The RRC offers attractive pricing for disposal of waste and recyclables. NAWMA has also received many positive comments from customers on the quality of staff and the high standard of design and construction of the facility.

The RRC was built to cater for growth, and all indications are that the flexibility in design will be required as the facility becomes more familiar to residents and its utilisation increases.



## Future Directions

The Regional Waste Management Strategy (RWMS)

identifies a number of priorities to be actioned over the next five years in support of two major objectives, which are to:

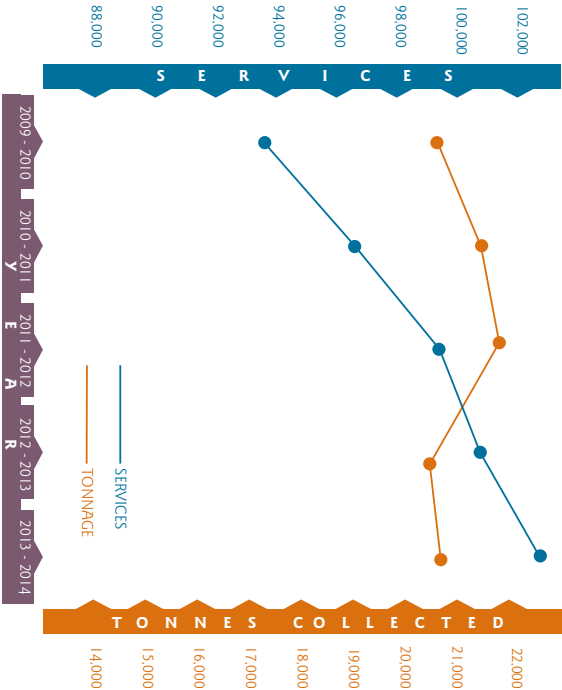
1. minimise recoverable resources disposed to landfill; and
2. maintain sustainable residual waste management processes.

NAWMA's new priorities for action include:

- designing, building and installing a new Material Recovery Facility (MRF) plant for operation by NAWMA in January 2017;
  - employing specialist staff to facilitate the transition from a contractor operated to a NAWMA operated MRF;
  - determining the most economic and environmentally sustainable use of landfill gas;
  - planning and preparing for NAWMA to staff the Waste Processing Facility (in lieu of contractors) effective from January 2017 as approved by the Board;
  - designing and building the new Environment Education Centre to be self-contained and include new interactive displays;
  - planning and implementing a household flexible plastics trial in preparation for receiving this material in the fortnightly kerbside recycling collection service on a regional scale in January 2017; and
  - monitoring existing contractual arrangements on a nationwide scale and embracing innovations and improvements that can be incorporated in NAWMA's future contracts
- A comprehensive list of priorities is available by viewing the RWMS on the NAWMA website.



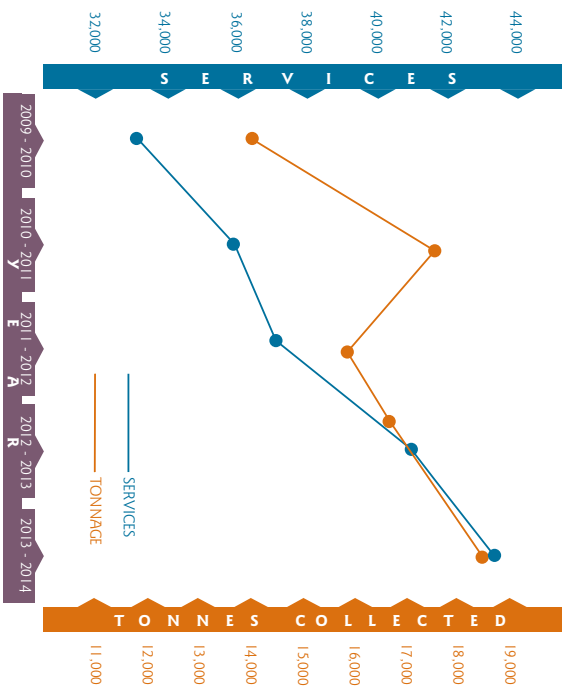
# Performance Summary 2013 - 2014



Kerbside Recycling Tonnage comparisons

Year	Services	Tonnes Collected
09-10	93,772	20,744
10-11	96,555	21,517
11-12	98,849	20,866
12-13	100,652	20,489
13-14	102,381	20,885

The collection yield from the kerbside system is 3.9kg per household per week, which is similar to the previous year. This indicates that the kerbside collection service is being well utilised. A reduction in the paper content placed in recycling bins is noticeable and due primarily to a greater use of electronic media.



Kerbside Garden Organics Tonnage comparisons

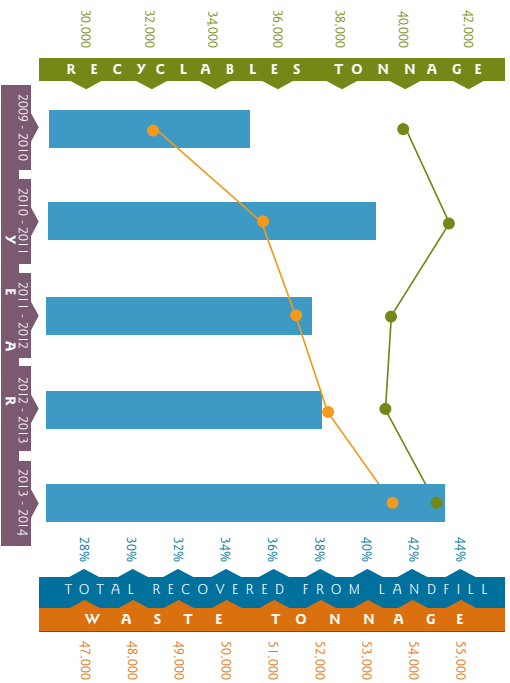
Year	Services	Tonnes Collected
09-10	33,265	14,385
10-11	35,993	17,692
11-12	37,028	15,950
12-13	40,867	16,769
13-14	43,456	18,763

The average yield of 8.3kg per household per week is a good result. Organics material contributes significantly to the percentage of material recovered from landfill. A total of 43.43 per cent of households in the region participate in this voluntary collection where residents register for the service and provide their own MGB.

Member Council participation levels in the garden organics collection service are:

Gawler	4,140 households (43.8 per cent)
Playford	7,719 households (21.76 per cent)
Salisbury	31,597 households (57.32 per cent)





### Kerbside regional performance comparison with previous years

Year	Recyclables (tonnages)	Waste (tonnages)	Percentage Recovered from landfill
09 - 10	35,129	48,589	41.96%
10 - 11	39,210	50,903	43.51%
11 - 12	36,816	51,592	41.64%
12 - 13	37,258	52,246	41.62%
13 - 14	41,283	53,697	43.46%

The regional percentage of waste recovered from landfill has improved and with the new initiative with garden organics in 2014 - 2015 it is expected that there will be an even better result next reporting period.

The recyclables tonnages also include the material collected via the hardwaste program none of which is landfilled.

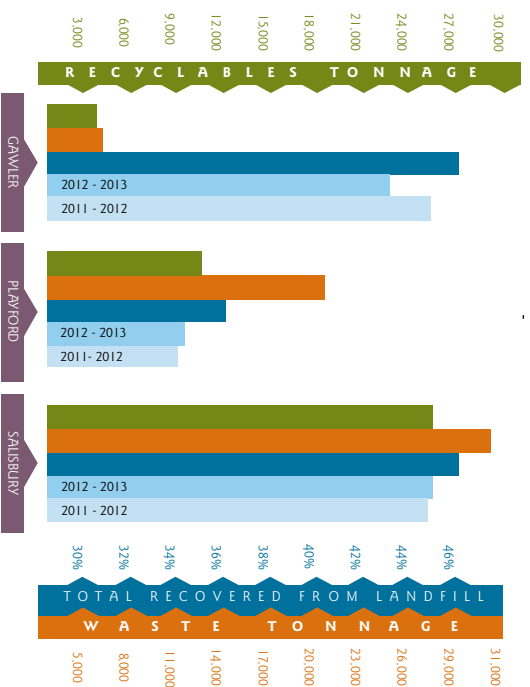


### Regional performance from all sources (kerbside and waste transfer stations)

Year	Kerbside Recyclables	Tonnages diverted from landfill from waste transfer stations	Waste tonnages landfilled	Total percentage recovered from landfill
13 - 14	41,283	19,887	53,697	53.25%

The two waste transfer stations also divert from landfill large quantities/volumes of waste oil, mattresses, car batteries, electronic waste, cardboard, tyres and steel that is not included in the above tonnages.



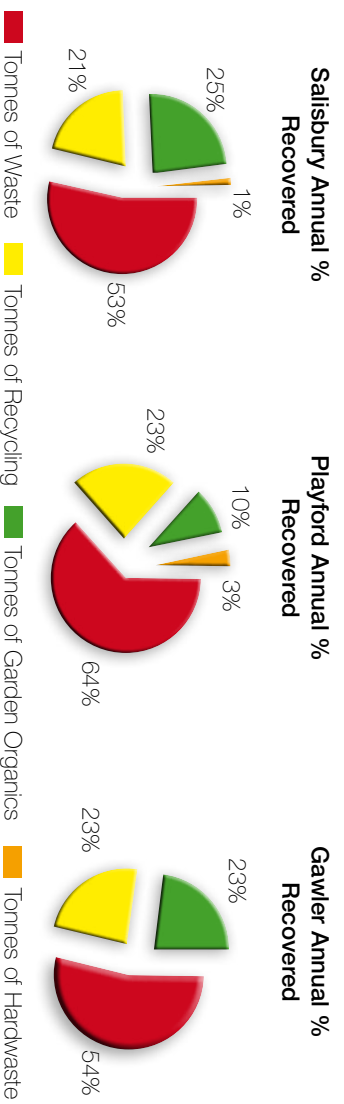


### Member Councils performance 2013 – 2014 through kerbside collection services

	Recyclables (tonnages)	Waste (tonnages)	Percentage Recovered from landfill	Compared to 2012 -13 and 2010 -11
Gawler	3,842	4,470	46.2%	43.2% 45.3%
Playford	10,900	18,923	36.5%	34.7% 34.3%
Salisbury	26,541	30,303	46.6%	45.0% 44.9%

Note:

1. The City of Playford garden organics collection service is a user-pays system, and it has been in place for the whole of the reporting period. N.B. Playford's system will change on the 1st September 2014 to the optional Regional system.
2. The percentages recovered shown above are based on the kerbside collection service only. They do not include recycling/resource recovery initiatives in place at member Councils' Waste Transfer Stations and NAWMA's Resource Recovery Centre or via the Container Deposit Legislation (CDL) depots where steel, aluminium, glass or plastic drink containers are returned for cash payment.



**NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY  
INDEPENDENT AUDITOR'S REPORT**

To the constituent councils of the Northern Adelaide Waste Management Authority

We have audited the accompanying financial report of Northern Adelaide Waste Management Authority, which comprises the balance sheet as at 30 June 2014, and the statement of comprehensive income, statement of changes in equity and cash flow explanatory notes.

**Board's responsibility for the Financial Report**  
The board of the association 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 (Regulations) made under that Act. 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 conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance accounting 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 Northern Adelaide Waste Management Authority, 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.



**HLB Mann Judd**

Chartered Accountants

**NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY  
INDEPENDENT AUDITOR'S REPORT (continued)**

**Independence**

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Local Government Act and Regulations.

**Auditor's Opinion**

In our opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of Northern Adelaide Waste Management Authority as at 30 June 2014 and its financial performance and its cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 and Regulations.

*HLB Mann Judd*

HLB Mann Judd  
Chartered Accountants

*T. Hirth*  
Trevor Hirth  
Partner

Adelaide, South Australia  
16th September 2014

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# **NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**

## **STATEMENT OF COMPREHENSIVE INCOME** for the year ended 30 June 2014

	Notes	2014 \$'000	2013 \$'000
<b>INCOME</b>			
User charges	2	23,217	21,039
Investment income	2	167	167
Reimbursements	2	81	59
Reduction in Landfill	2	-	1,762
Other	2	118	116
<b>Total Income</b>		<u>23,583</u>	<u>23,143</u>
<b>EXPENSES</b>			
Employee costs	3	1,116	890
Materials, contracts & other expenses	3	19,032	17,524
Finance costs	3	321	457
Depreciation, amortisation & impairment	3	1,429	1,724
<b>Total Expenses</b>		<u>21,898</u>	<u>20,595</u>
		1,685	2,548
<b>OPERATING SURPLUS / (DEFICIT)</b>		-	(3)
transfer to Equity Statement			
Asset disposal & fair value adjustments	2	-	25
Amounts received specifically for new or upgraded assets		<u>1,685</u>	<u>2,570</u>
<b>NET SURPLUS / (DEFICIT)</b>			
Other Comprehensive Income		-	-
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	-
<b>Total Other Comprehensive Income</b>		<u>1,685</u>	<u>2,570</u>
<b>TOTAL COMPREHENSIVE INCOME</b>			

This Statement is to be read in conjunction with the full financial report.

**NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
as at 30 June 2014

<b>ASSETS</b>		Notes	2014 \$'000	2013 \$'000
<b>Current Assets</b>				
Cash and cash equivalents		4	3,533	2,543
Trade & other receivables		4	2,711	2,424
Inventories		4	-	-
<b>Total Current Assets</b>			<u>6,244</u>	<u>4,967</u>
<b>Non-current Assets</b>				
Infrastructure, Property, Plant & Equipment		5	8,359	9,545
<b>Total Assets</b>			<u>14,603</u>	<u>14,512</u>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade & Other Payables		6	2,146	2,117
Provisions		6	256	220
Borrowings		6	1,210	1,750
<b>Total Current Liabilities</b>			<u>3,612</u>	<u>4,087</u>
<b>Non-current Liabilities</b>				
Borrowings		6	3,551	4,776
Provisions		6	1,995	1,889
<b>Total Liabilities</b>			<u>5,546</u>	<u>6,665</u>
<b>NET ASSETS</b>			<u>9,158</u>	<u>10,752</u>
<b>EQUITY</b>				
Accumulated Surplus			5,445	3,760
Asset Revaluation Reserve				
Other Reserves			3,505	1,820
<b>TOTAL EQUITY</b>			<u>1,940</u>	<u>1,940</u>
			<u>5,445</u>	<u>3,760</u>

This Statement is to be read in conjunction with the full financial report.



**NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**  
**STATEMENT OF CHANGES IN EQUITY**  
for the year ended 30 June 2014

	2014 \$'000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period						
Adjustments due to compliance with revised Accounting Standards			1,820	1,940	-	3,760
Adjustments to give effect to changed accounting policies			-	-	-	-
Restated Opening Balance			1,820	1,940	-	3,760
Net Surplus/ (Deficit) for Year			1,685	-	-	1,685
<b>Other Comprehensive Income</b>			-	-	-	-
Gain on revaluation of infrastructure, property, plant & equipment			-	-	-	-
Transfers between reserves			-	-	-	-
Distributions to Member Councils			-	-	-	-
<b>Balance at end of period</b>			<b>3,505</b>	<b>1,940</b>	<b>-</b>	<b>5,445</b>

	2013 \$'000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period						
Adjustments due to compliance with revised Accounting Standards			(750)	1,940	-	1,190
Adjustments to give effect to changed accounting policies			-	-	-	-
Restated Opening Balance			(750)	1,940	-	1,190
Net Surplus/ (Deficit) for Year			2,570	-	-	2,570
<b>Other Comprehensive Income</b>			-	-	-	-
Gain on revaluation of infrastructure, property, plant & equipment			-	-	-	-
Transfers between reserves			-	-	-	-
Distributions to Member Councils			-	-	-	-
<b>Balance at end of period</b>			<b>1,820</b>	<b>1,940</b>	<b>-</b>	<b>3,760</b>

This Statement is to be read in conjunction with the full financial report.

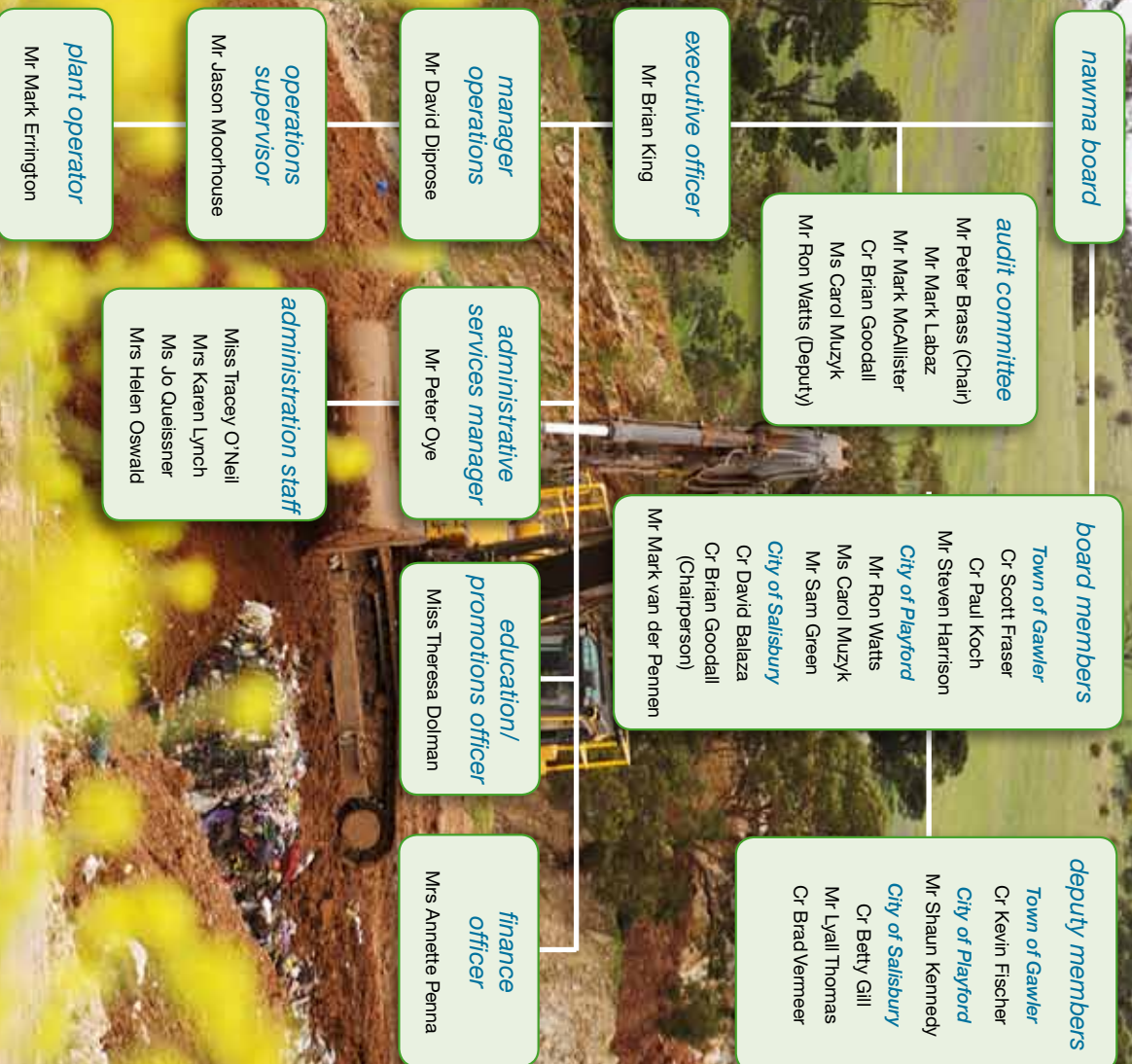
**NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**for the year ended 30 June 2014**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts</u>	Notes	2014	2013
Operating receipts	\$'000		\$'000
Investment receipts			
<u>Payments</u>		23,134	21,203
Operating payments to suppliers & employees		162	167
Finance payments		(19,927)	(18,133)
<b>Net Cash provided by (or used in) Operating Activities</b>		<u>(456)</u>	<u>(502)</u>
	7	2,913	2,735
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets			
Sale of surplus assets			
<u>Payments</u>		-	25
Expenditure on renewal/replacement of assets			
Expenditure on new/upgraded assets		(158)	(687)
<b>Net Cash provided by (or used in) Investing Activities</b>		<u>-</u>	<u>-</u>
		(158)	(662)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
Proceeds from Borrowings			
<u>Payments</u>			
Repayments of Borrowings		-	-
<b>Net Cash provided by (or used in) Financing Activities</b>		<u>(1,765)</u>	<u>(1,763)</u>
<b>Net Increase (Decrease) in cash held</b>		<u>(1,765)</u>	<u>(1,763)</u>
		990	310
Cash & cash equivalents at beginning of period	7	2,543	2,233
Cash & cash equivalents at end of period	7	<u>3,533</u>	<u>2,543</u>

This Statement is to be read in conjunction with the full financial report.



# Organisational Structure



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