



DISTRICT COUNCIL OF LOWER EYRE PENINSULA

ANNUAL REPORT

2012/13



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A MESSAGE FROM THE MAYOR

The 2012/13 financial year has been eventful with the culmination of two significant capital projects – the new terminal, car park and expanded taxi/apron area at the Port Lincoln Airport and the Council office and meeting room at Cummins.

The new Terminal has created much talk and is proving to be a highly appreciated gateway to our region. Peter Aird, former Airport Manager spent many long hours overseeing the project, and he is to be commended for his thoroughness, attention to detail and determination to deliver a quality project for Council and the Lower Eyre Peninsula community. It was fitting that his contribution to the industry and to council was recognised at the National Australian Airport Association Awards Night when he was awarded the Individual Award for Airport Excellence for Regional Airports.

Equally successful has been the renovation and upgrade of the Cummins office and meeting facilities. Merging the previous office building and the neighbouring former 'Op Shop' building has provided the community with a more practical and serviceable facility with capacity to meet today's and the future needs of a modern council. I commend staff for the way they managed the move to and back from the Cummins Hall. I would like to recognise Julie Elliot's contribution to ensuring the renovations were affordable and were completed on time.

After 33 years long serving staff member Peter Aird announced his retirement from Council. Peter held a number of positions in Council, including Chief Executive Officer. The resultant requirement to recruit a new Airport Manager, and the resignation of former Works Manager Damian Windsor coincided with a much needed organisational review which has resulted in a number of new faces in Council's workforce. The creation of the new position of Director for Works & Infrastructure overseeing the Works Department and Port Lincoln Airport; increased hours for the Planning Department; and the escalation and rebadging of an existing administration position to that of Corporate Services Coordinator is proving to be successful and will assist Council to manage its increasing service and governance demands.

However, Council remains conscious that rising administration costs are not sustainable, and is therefore continuing to explore shared service options with neighbouring councils as a means of acquiring professional specialist staff and sharing resources to efficiently meet the service needs of our community.

As Presiding Member of Council I am proud to represent Council and our community at a number of forums at an Eyre Peninsula level and a State level. I am also asked from time to time to speak to community groups about Council activities, and in more recent times about the changes which are occurring at our magnificent airport.

I thank my fellow councillors for their support and commitment to council and the community during the year. I thank CEO Rod Pearson for his leadership and support and on behalf of Council I express appreciation to all staff for their dedication and contribution.

**J K LOW
MAYOR**

CHIEF EXECUTIVE OFFICER'S REPORT

The 2012/13 year has been successful in that it has seen several key projects which have been under planning by Council for some time come to fruition. In particular Council has taken great pride in seeing the Port Lincoln Airport Upgrade come to fruition, at a cost of \$13m. The showcase of the project has been the building of a new Terminal building which was opened for business just after the end of the financial year. However the supporting infrastructure, including Taxiway, Apron and Car Parking have also been major projects for Council, stretching Council's available human resources to full capacity.

Council's other feature development for the year has been the Cummins Office upgrade, which has also been in the planning for some years. The result is an office which is functional to staff, with improved storage and work areas, along with a new Council / Community area which is both effective and stylish. From a community perspective the office has provided a lift to the main street in Cummins and has been well received by the public.

These projects have impacted on the financial position of Council, in particular previous airport reserve funds have now been expended on the airport upgrade with the airport having a debt of \$2.62m at 30 June 2013. It is projected that the airport debt will peak at an estimated \$3.5m upon completion of all aspects of the upgrade project including the car park development.

The Council wide impact of borrowing to undertake these significant projects is that Council's liabilities exceed financial assets by \$4.67m, with total Council borrowings of \$6.52m at 30th June. The run down of reserves, while planned by Council has required a close focus on the Council's fiscal management to ensure that Council operates within budget restraints, and in effect within the means of the community.

It is also noted that the Council has recorded a relatively small profit of \$0.34m for the 2012/13 year being a satisfactory outcome.

The current Council is now over half way through its term and the performance against the Strategic Plan which was adopted in April 2012 has been reported within this Annual Report.

The organisational review undertaken during the past year will position the Council to be able to more strategically manage its business. I am very pleased that we have been able to appoint an experienced Director of Works & Infrastructure (Alex Douglas) who will oversee the works and airport functions of Council. Alex will be strategically reviewing critical aspects of Council service delivery, including the management of Council roads.

The recruitment of Alex from West Arnhem Land Council in the Northern Territory and Barrie Rogers as the Airport Manager from Lord Howe Island are vital appointments and I am very happy with the calibre of these new Council Managers.

CHIEF EXECUTIVE OFFICER'S REPORT

In a further commitment by Council to the strengthening of its management capacity, and desire to meet compliance and risk management obligations, Sacheen Hopewell was escalated to the position of Corporate Services Co-ordinator with key focus areas to include Human Resource Management, Risk Management, Work Health and Safety and Governance.

Accountability has been a key word in Local Government circles in recent years, but none more so than in the past year with the introduction of the new Independent Commissioner against Corruption (ICAC) Act 2012, and the appointment of a Commissioner to this position. The focus on Public Authorities and Public Officer's will be heightened in the coming year, aimed at ensuring that public monies are expended prudently and that decision making is made in line with relevant legislation.

Council has experienced a sense of frustration in relation to its Planning function in the past year, none more so than in relation to the decision by the Minister for Planning not to approve additional land for residential development within the Deferred Urban Zone of Coffin Bay. The Council will now need to carefully consider the various aspects of the proposal for rezoning of this area, including fire risk and retention of native vegetation.

Council has continued to work on a Structure Plan with the City of Port Lincoln, while other key Development Plan Amendments which remain in the pipeline are the Cummins Development Plan Amendment and the State Government initiated Coastal and General Development Plan Amendment.

I wish to thank both Councillor's and staff for their commitment over the past year. The efforts of the Council in staying in touch with the significant number of issues dealt with by a rural Council is both challenging and commendable, while the efforts of staff in managing their work load and presenting relevant information to assist the Council has been much appreciated from my perspective.

**R W PEARSON
CHIEF EXECUTIVE OFFICER**



COUNCIL HISTORY AND PROFILE

The District Council of Lower Eyre Peninsula has its origins entrenched in the area of Port Lincoln and Districts.

The District Council of Port Lincoln was proclaimed on 1 January 1880, and its area comprised only the Hundred of Lincoln.

Following the passing of the District Council's Act No. 419 of 1887 the area of the District Council of Port Lincoln was extended on 5 January 1888 to include the remainder of the County of Flinders and all the surrounding islands, making a total area of 4,771 square kilometres.

On 3 July 1890 the Hundreds of Kiana, Mitchell and Shannon were added to the Council area - another 1,372 square kilometres.

The Hundreds of Yaranyacka, Koppio and Stokes were severed from the District Council of Port Lincoln and together with other areas formed the District Council of Tumby Bay - promulgated on 21 June 1906.

On 18 August 1921, an area of 2,153 hectares was severed from the District Council of Port Lincoln to become the Corporate Town of Port Lincoln, with the remainder of the area becoming known as the District Council of Lincoln.

On 21 March 1935, approximately 1,214 hectares was severed from the Corporation of Port Lincoln and re-annexed to the District Council of Lincoln.

On 1 July 1981, an area of 1,970 hectares was severed from the District Council of Lincoln and annexed to the Corporation of the City of Port Lincoln.

On 1 July 1982, an area of 1,634 hectares was severed from the District Council of Lincoln and annexed to the District Council of Tumby Bay.

The Council area was divided into five wards until 1938, when on 7 April, the area was further divided to create six wards, with one Councillor for each ward. This remained until 20 February 1947, when the number of Councillors for Mortlock Ward was increased to two, effective from the first Saturday in July. On 19 November 1987, a proclamation was gazetted re-dividing the area into four wards, whilst maintaining the number of Councillors at seven. These changes took effect on 1 January 1989.

On 21 January 1988, by proclamation in the government Gazette, the name of the Council was changed to the District Council of Lower Eyre Peninsula.

(continued):

COUNCIL HISTORY AND PROFILE

On 7 April 1994, a proclamation appeared in the Government Gazette to abolish the ward boundaries and the seven Councillor memberships were retained.

The Council today encompasses an area of 4,754 square kilometres with 709 kms of coastline (including coastlines of islands). The resident population is 5,014¹ and the Council is responsible for maintaining a road network of 1,323 kms of which 140 kms is sealed. Council owns and operates the Port Lincoln Airport, which plays a vital role in the transport system serving Eyre Peninsula.

In 2012/13, the airport catered for 195,330 passengers and 7,064 regular passenger transport aircraft movements supported by Qantaslink and Regional Express, plus 8,128 general aviation and recreational aviation aircraft movements. Council owns and operates sixteen aged independent living units in Cummins. Council also owns the Coffin Bay Caravan Park and the operation of this facility is leased to independent managers.

The District Council of Lower Eyre Peninsula is largely a rural community, interspaced with small country and coastal towns. The extensive east and west coasts of Council's boundaries provide magnificent fishing and surfing beaches, complimented by breathtaking views of rugged cliffs, idyllic picnic-spots and the beauty of the colour-changing Marble Ranges. The major industries of agriculture, aquaculture, fishing and tourism are recognised as being of primary significance in the State's economy.

The Head Office of Council is located in Cummins and the original office in Port Lincoln has been retained as a Branch Office. Works Depots and staff are located in Cummins and at the Port Lincoln Airport. Council has a work force of forty-four employees and contracts out a number of specialised functions and major projects.

Facilities provided by other organisations in the area include a medical clinic and hospital with hostel accommodation at Cummins, the Cummins Area School providing for students from Birth (via it's Rural Child Care program) to year 12, a Medical Centre at Coffin Bay, Primary Schools at Lake Wangary and Poonindie and a wide range of sporting facilities throughout the district.

As at 30 June 2013 the Council comprised of, J K (Julie) Low (Mayor), P B (Paul) Pedler (Deputy Mayor), W (Wendy) Holman, J T (Jo-Anne) Quigley, L P (Leon) Murray, D B (Don) Millard and P L (Peter) Mitchell.

¹ Source: Australian Bureau of Statistics – 2011 Census Data
(<http://www.abs.gov.au/AUSSTATS/abs@nrp.nsf/Latestproducts/LGA43710Population/People12007-2011?opendocument&tabname=Summary&prodno=LGA43710&issue=2007-2011>)

MAP OF COUNCIL BOUNDARY



Main Office:

32 Railway Terrace
Cummins SA 5631

Ph: 8676 2106
Fax: 8676 2375
Mon – Fri: 8.30 am – 5.00 pm

PO Box 41
Cummins SA 5631

Branch Office:

38 Washington Street
Port Lincoln SA 5606

Ph: 8682 1622
Fax: 8683 0232
Mon – Fri: 10.00 am – 1.00 pm/2.00 pm – 4.00 pm

Email: mail@dclep.sa.gov.au

Web: www.lowereyrepeninsula.sa.gov.au

Council Meetings:

(Meetings open to the public)

9.00 am - Third Friday of every month in Council
Chambers, 32 Railway Terrace, Cummins.

**Due to the Cummins Office renovations, from May 2012 – April 2013 a temporary arrangement was in place to conduct the Council meetings in the Cummins Community Hotel Conference Room.

GOVERNANCE

ELECTED MEMBERS

o Profiles



Mayor J K Low

Elected: 1995
Chairman Finance: 2000-2002
Charman Works: 2002 – 2010
Deputy Chair: 2002 -2006
Deputy Mayor: 2006 – 2009
Mayor: 2009 - Current

MEETINGS 2012/13

Attended: 17
Apology: 1
Absent: 0



Deputy Mayor P B Pedler

Elected: 2003
Chairman Finance: 2007 - 2011
Deputy Mayor: 2009 - Current

MEETINGS 2012/13

Attended: 18
Apology: 0
Absent: 0



Cr W Holman

Elected: 2010

MEETINGS 2012/13

Attended: 17
Apology: 1
Absent: 0



Cr D B Millard

Elected 2010

MEETINGS 2012/13

Attended: 17
Apology: 1
Absent: 0



Cr P L Mitchell

Elected 2010

MEETINGS 2012/13

Attended: 15
Apology: 3
Absent: 0



Cr L P Murray

Elected: 2003
Elected: 1975 – 1983
Previous Chairman - Finance & Works

MEETINGS 2012/13

Attended: 17
Apology: 1
Absent: 0



Cr J T Quigley

Elected 2010

MEETINGS 2012/13

Attended: 16
Apology: 2
Absent: 0

GOVERNANCE

ELECTED MEMBERS

○ Allowance Paid to Elected Members

The following annual allowances were paid to members for the year ending 30 June 2013:

- Mayor: \$36,178
- Deputy Mayor and or Presiding Member of one or more Standing Committees: \$11,275
- All other Members: \$9,045

Councillors who reside within the DCLEP boundary and are 50 km or more from the Cummins Office receive an extra \$500 per year.

A mileage allowance is paid for travel to Council and other approved meetings.

○ Training & Development Activities for Members

Various Elected Members attended seminars and workshops throughout the year, to enhance their awareness of local government in our community and at a statewide and national level. This included:

- Financial & Governance Training @ Tumby Bay
- Roads & Works Conference
- LGA General Meetings, Conferences & AGM
- EPLGA Conference
- ALGA Annual Conference

In addition further programs were provided in house concentrating on the issues before Council at various times.

GOVERNANCE

REPRESENTATION REVIEW

As at the 28 February 2013 under the Local Government (Elections) Act 1999 the number of electors for the area was 3517 with 7 Councillors constituting the Council, resulting in a “representation quota” of 502.

The District Council of Lower Eyre Peninsula is classified as Rural Agricultural Medium (RAM) and the average “representation quota” for the eleven South Australian Councils in this classification is 299.

Councillor Representation Quota Comparisons
Information provided by the Local Government Association of SA.

Council	Electors	Members	Representation Quota
Barunga West	1999	9	222
Ceduna	2134	9	237
Goyder	3129	7	447
Kangaroo Island	3451	10	345
Kingston	1927	8	240
Lower Eyre Peninsula	3517	7	502
Mt Remarkable	2325	7	332
Peterborough	1289	9	143
Southern Mallee	1463	9	162
Tumby Bay	2116	9	235
Yankalilla	3720	9	413

Provisions of the Local Government Act 1999 require Council to comprehensively review the composition of the Council at least once in every eight years. The District Council of Lower Eyre Peninsula completed a Representation Review in July 2009. The next review is scheduled to take place between October 2016 and October 2017.

Section 12 of the Local Government Act 1999 provides for interested persons to make written submissions to any elector representation review conducted by Council. It also provides for interested persons to make written submissions on the elector representation final report prepared by Council following a review. In both cases people making a submission are also entitled to appear before Council (either in person or by representation) to be heard on their submission.

GOVERNANCE

DECISION MAKING STRUCTURE OF COUNCIL

The decision making body of Council is the full Council whose standard meeting date is on the third Friday of every month, with other meetings called as required. In addition to this, Council has established a number of Committees to assist with the decision making process. The Committees generally meet once per month, or on an as needs basis. These Committees are as set out below with the membership as at 30 June 2013.

COUNCIL COMMITTEES

○ **Cummins Homes Committee**

The role of the Cummins Homes Committee is to:

- consider policy issues pertaining to the management and development of the Cummins Homes complex and provide recommendations to Council regarding such issues; and
- consider applications for tenancy of the Cummins Homes and make recommendations to the CEO regarding such issues.

Membership: Maureen Maloney, Jodi Black, Pat Speed, Gladys Hall, Jenny Goosens, Isobel Arnold and Peter Wandner as representatives of the Community and Cr P B Pedler (Chairman) and Cr J Quigley as representatives of Council.

○ **Audit Committee**

The role of the Audit Committee is to:

- monitor & review the integrity of the financial statements of Council (including its annual report)
- review & challenge the internal controls and risk management systems of Council
- ensure arrangements are in place for Whistle blowing
- conduct internal audits (in absence of a separate internal audit function)
- consider and make recommendations to the Council on matters pertaining to the engagement, re-appointment & removal of the Councils external auditor and meet with the auditor as required.

Membership: Mayor J Low, Cr W Holman, Mr D Watson and Mrs M Mattsson.

Independent Members receive an allowance of \$40 per meeting attended.
A mileage allowance is paid for travel to Audit Committee meetings.

GOVERNANCE

COUNCIL COMMITTEES

○ Staff Committee

The role of the Staff Committee is to:

- deal with issues pertaining to the engagement and employment management of the CEO,
- to provide assistance to the CEO in relation to negotiation of Enterprise Bargaining Agreements.

Membership: Mayor J Low, Cr D Millard and Cr W Holman.

○ Bushfire Management Advisory Committee

The role of the Bushfire Management Advisory Committee is to:

- provide advice to Council on local matters relating to bushfire management; and,
- to provide guidance to Council's representative on the Lower Eyre Peninsula Bushfire Management Committee in relation to his / her duties as may be required from time to time.

Membership: One representative from each SA Country Fire Service Brigade in the Council area, Mr LB Blacker and Cr P B Pedler as a representative of Council.

○ Development Assessment Panel

In addition to the Committees, Council has also established a Development Assessment Panel. The panel operates independently to Council and is responsible for the assessment of development applications against the provisions of Council's Development Plan. Membership of the panel at 30 June 2013 was M L Roberts (Presiding Member), Mayor J K Low, Cr W Holman, Cr P L Mitchell, J Isle, A C Chappell and I J Fitzsimons.

○ Allowances Paid to Development Assessment Panel Committee Members

Community representatives appointed to the Development Assessment Panel were paid sitting fees as follows:

Presiding Member: \$150.00 per meeting attended.

Other Members: \$100.00 per meeting attended.

A mileage allowance is paid for travel to Development Assessment Panel meetings.

DELEGATIONS

Council employs a number of staff to undertake the day to day running of the organisation and to facilitate the provision of services to the community. Council have delegated authority to the Chief Executive Officer who in turn delegates to members of staff to make decisions on various administrative and operational matters.

Council delegated its powers under relevant Acts to the Chief Executive Officer at a meeting of Council held on 16 November 2012.

GOVERNANCE

CONFIDENTIALITY PROVISIONS

Council and Council Committee meetings are open to the public and attendance is encouraged, except where the Council (or the Council committee) believes it is necessary in the broader community interest to exclude the public from the discussion (and, if necessary, decision) of a particular matter.

The public will only be excluded when considered proper and necessary i.e. the need for confidentiality outweighs the principle of open decision-making.

Council has adopted a Code of Practice for public access to Council meetings which is available on Councils website.

The number and type of meetings held during 2012/13 where the public were excluded are as follows:

- 11 Council Meetings
- 1 Special Meeting

No committees of Council considered a matter in confidence in the 2012/13 year.

Twenty one items of business were considered in confidence during this financial year and the decision to keep those minutes confidential is reviewed annually.

Matters considered in confidence during the 2012/13 period in respect to S90 (2) & (3) (a-n) of the Act were as follows:

LG ACT REFER.	DESCRIPTION	2012/13
90 (3)(b)	<i>Information that could confer a commercial advantage on a person with whom the Council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the Council</i>	19
90 (3)(d)	<i>Commercial information which could prejudice the commercial position of the person supplying the information, or give a commercial advantage to a third party</i>	2
90 (3)(h)	<i>Legal advice</i>	1
91 (7)	<i>Order to keep information or a document confidential</i>	20

**note one confidentiality order referred to two confidentiality provisions in the resolution*

15 confidentiality orders issued under Section 91 (7) of The Act in 2012/13 remain confidential as at 30 June 2013.

Zero (0) S91 (7) confidentiality orders issued during 2012/13 expired or ceased to apply during the period however 17 confidentiality orders issued prior to the 2012/13 expired or ceased to apply during the 2012/13 period.

No orders were revoked.

GOVERNANCE

REVIEW OF DECISIONS AND REQUESTS FOR SERVICES

Section 270 of The LG Act states that Council must develop and maintain policies, practices and procedures for dealing with any reasonable request for services or improvements to services and also for any complaints regarding the actions of employees or contractors of Council.

Staff record all incoming requests and complaints and allocate Responsible Officers for addressing each item, within given time periods. This information is then used to ensure items are being addressed in a timely, effective and fair way as well as being used as data on which to consider improvement to services and operations.

During the 2012/13 year, 302 requests for services were recorded in the customer feedback register in the following categories:

REQUEST FOR SERVICE CATEGORY	QUANTITY	AV. RESPONSE TIME
Road maintenance (i.e. grading, re-sheeting, drainage)	98	16 days
Building/Asset maintenance (i.e. toilets, septic, halls)	34	23 days
Vegetation maintenance (i.e. Tree trimming / removal, mowing)	78	20 days
Request for new / additional services (i.e. extension to rubbish collection routes, additional bins in public locations)	1	15 days
Sign maintenance / requests (i.e. installation of new signs, repair of old signs)	32	20 days
Animal issue (i.e. noise complaints, attacks, bees / ants on Council owned sites)	17	22 days
Inspectorial Service (i.e. requests to inspect suspected fire hazards, alleged breach of building codes, illegal dumping)	37	30 days
Request, other (alterations on council land, concern at a community situation etc)	5	15 days

During the 2012/13 year, Council received 12 complaints in the following categories:

COMPLAINT CATEGORY	QUANTITY	AV. RESPONSE TIME
Complaint against staff	0	-
Compliant regarding decisions of Council (i.e. policy stance etc)	0	-
Complaint against persons acting on behalf of Council (i.e. contractors,)	3	1 day
Complaint regarding a good/services Council has provided	9	69 days
Complaint, others	0	-

Staff plan to undertake a review of the Requests for Services / Complaints system processes and procedures in the 2013/14 year in an effort to evaluate the performance of current systems and to explore opportunities to improve efficiency in responding to, and recording, customer feedback.

GOVERNANCE

SERVICE DELIVERY

This Council uses a variety of options to ensure the cost-effective delivery of services. These include:

- ❑ Waste collection and disposal is subject to competitive tendering.
- ❑ Operation of waste transfer stations is undertaken by Council employees.
- ❑ Council's public convenience cleaning is subject to competitive tendering.
- ❑ The majority of Council's gardening and footpath maintenance is undertaken by a combination of contracting by competitive tendering and Council's workforce and equipment.
- ❑ All bitumen work, including maintenance and new work, is subject to competitive tendering.
- ❑ The construction of open surface roads is a significant part of Council's ongoing service delivery program. The method of delivering this service is a combination of Council staff and equipment used on hourly hire rates and contractors paid at unit rates. This has been found to be the most cost-effective method to undertake this type of work over many years. The contract component relies on production rates to generate contractor payments and the Council staff component ensures standards and quality requirements are met without excessive supervision costs.
- ❑ The construction of sealed roads is also undertaken using a combination of contract components and Council staff and equipment charged at hourly hire rates. Works Department staff regularly monitor the unit costs of such work against other Councils and contractors to ensure cost-effective outcomes.
- ❑ All major projects of a specialised nature, such as the crushing of road base material or specialist project planning, are subject to a competitive tendering process.
- ❑ Council's work teams are given an opportunity to tender for all services which are subject to a competitive tendering process.
- ❑ Council's Policy regarding purchasing procedures includes: *Preference for local suppliers is encouraged where the quality and price are competitive.*

A review will be conducted of Council's service standards as outlined in item 1.1.1 of the 2012 - 2021 Strategic Plan in the 2013/14 year.

STAFF

SENIOR EXECUTIVE OFFICERS

Council employs seven senior executive officers. Details of the senior executive positions and the officers currently holding the positions and a summary of benefits provided to the officers for year ending 30 June 2013 is as follows:

- **Chief Executive Officer** Rodney Pearson
 - Salary
 - Private use of motor vehicle
 - Mobile phone

- **Director of Works & Infrastructure** Alex Douglas
 - Salary
 - Private use of motor vehicle
 - Mobile phone

- **Manager Development & Environmental Services** Leith Blacker
 - Salary
 - Private use of motor vehicle
 - Mobile phone

- **Accountant** Troy Smith
 - Salary
 - Private use of motor vehicle
 - Mobile phone

- **Corporate Services Coordinator** Sacheen Hopewell
 - Wage

- **Airport Manager** Peter Aird
 - Salary
 - Private use of motor vehicle
 - Mobile phone

- **Works Manager** Gary Jutzen
 - Salary
 - Private use of motor vehicle
 - Mobile phone

STAFF

STAFF LIST

○ Administration

Rod Pearson	Chief Executive Officer
Troy Smith	Accountant
Sacheen Hopewell	Corporate Services Coordinator
Bryce Breed	Finance Officer
Margaret Wandner	Rates & Payroll Officer
Marie Kimber	Executive Assistant (Casual)
Karla Telfer	Executive Assistant
Jenna Anderson	Administration Officer
Julie Elliott	Administration Officer (Part Time)
Patrina Coombs	Administration Officer (Part Time)
Carolyn Miller	Community Project Officer – C&DEC (Part Time)
Wendy Ettridge	Administration Officer
Jennifer Windsor	Administration Officer (Part Time)
Julie Crettenden	Community Development Officer (Part Time)
Vacant	Corporate Services Assistant

○ Development and Environmental Services

Leith Blacker	Manager Development & Environmental Services
Robert Fox	Development Assessment Officer
David Hall	General Inspector
Tessa Reynolds	Planning Officer

○ Works Department

Alex Douglas	Director Works & Infrastructure
Gary Jutzen	Works Manager
Peter Wandner	Area Supervisor
Vacant	Works Technical Officer

Cummins Depot

Craig Meyers	Ganger
Trevor Arnold	Municipal Worker
Willy Jansen	Municipal Worker
Paul Mickan	Municipal Worker
Terry Sampson	Municipal Worker
Chris Jones	Municipal Worker
Gary Walter	Municipal Worker
Darren Mead	Municipal Worker
Roger Puckridge	Municipal Worker (Casual)
Jim Newland	Waste Transfer Station Operator

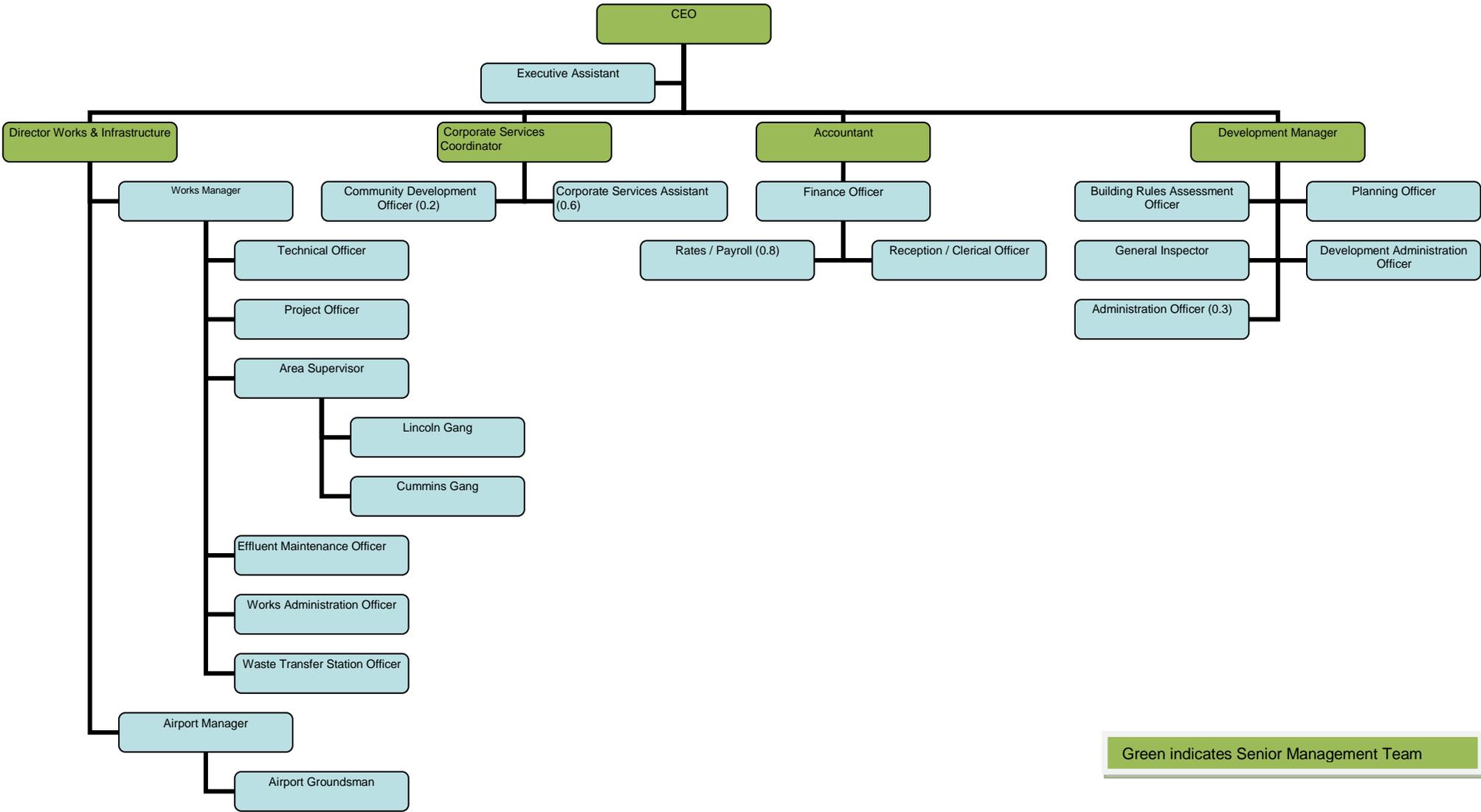
Lincoln Depot

Trevor Bateman	Ganger
Dave Harrold	Municipal Worker
Mark Paxon	Municipal Worker
Matt Newland	Municipal Worker
Ian Douglas	Municipal Worker
Chris Carter	Municipal Worker
Greg Smith	Effluent Maintenance Worker

○ Port Lincoln Airport:

Peter Aird	Airport Manager
Jane Berden	Airport Compliance Officer
Dion Clarke	Airport Groundsman
Peter Southam	Airport Compliance Officer (Casual)

ORGANISATIONAL CHART



STAFF

HUMAN RESOURCE MANAGEMENT

The District Council of Lower Eyre Peninsula believes it has a social responsibility towards all members of its community and is required to create an employment environment which reflects the values and needs of the community.

Accordingly, the District Council of Lower Eyre Peninsula is firmly committed to the principle of equal employment opportunity for all Staff.

Council's policies reflect commitment to create a work place that is free of discrimination and in which all people are permitted equal access and opportunity to progress to the full extent of their ability.

Council have a Consultative Committee, comprising of:-

- 2 representatives from the Works Department
- 1 representative from the Administration Department
- 2 representatives from Management
(1 being the Chief Executive Officer who is also the EEO Officer)
- 1 Councillor.

FREEDOM OF INFORMATION

GENERAL INFORMATION

The Freedom of Information Act 1991 provides legislation and guidelines for access and provision of information to the public. If Council refuses access to a document a certificate must be issued stating the reason for the document being treated as a restricted document.

Most information and files held by the District Council of Lower Eyre Peninsula are available for public viewing. There are some exceptions such as personal and personnel records and matters which are subject to litigation, however, information is generally readily available for viewing at no charge or at a minimal reproduction charge.

Most information is readily available without recourse to the Freedom of Information Act and members of the public are invited to discuss access to Council documents not available for inspection, free of charge or for purchase with the Chief Executive Officer.

All requests under Section 13 of the Freedom of Information Act 1991 for access to documents should be accompanied by the relevant application fee and directed in writing to:-

The Chief Executive Officer
District Council of Lower Eyre Peninsula
PO Box 41, Cummins SA, 5631

FREEDOM OF INFORMATION

GENERAL INFORMATION

Additional search fees may apply to requests where substantial staff time is involved to access the requested documentation.

- **Requests Received for Information under the Freedom of Information Act 1991**

One (1) Freedom of Information request was received in the 12 months to 30 June 2013.

- **Request by Public for Amendment to Council Records**

The Chief Executive Officer will consider requests for amendment of Council records concerning personal affairs of a member of the public. Where appropriate a request for amendment of a Council record, as set out in Section 31 of the Freedom of Information Act 1991, as amended, will be required to be made. In such instances applications are required to be addressed to:-

The Chief Executive Officer
District Council of Lower Eyre Peninsula
PO Box 41, Cummins SA, 5631

- **Council Policy Documents**

Council's policy documents are available for inspection or purchase at the principal office of Council, Railway Terrace, Cummins SA 5631, between the hours of 9.00 am and 5.00 pm, Monday to Friday, excluding Public Holidays. Policies required to be made available under the Local Government Act 1999 are also available on the website.

- **Council Regulation – Acts and Plans**

Council is regulated under several Acts and / or is required to provide information under other Acts. A listing of key Acts and Plans that Council either operates under or takes guidance from includes: -

Local Government Act 1999
Freedom of Information Act 1991
Building Code of Australia + Relevant Australian Standards
Public and Environmental Health Act 1987
Food Act 2001
Environmental Protection Act 1993
Dog and Cat Management Act 1995
Development Act 1993
Fire and Emergency Services Act 2005
Lower Eyre Peninsula Development Plan – 24 February 2011
District Council of Lower Eyre Peninsula Strategic Plan
District Council of Lower Eyre Peninsula Annual Business Plan
South Australian Strategic Plan

DOCUMENTS AVAILABLE TO THE PUBLIC

COUNCIL POLICIES

Council's Policy Documents are available for inspection or purchase at the principal office of Council, Railway Terrace, Cummins, SA 5631, between the hours of 9.00 am and 5.00 pm, Monday to Friday, excluding Public Holidays.

The following are the policies required to be kept under the Local Government Act 1999:

Section 49	Contracts & Tenders
Section 50	Public Consultation
Section 77(1)(b)	Reimbursement of Council Member Expenses
Section 78	Provision of Facilities & Support for Council Members
Section 80A	Council Member Training & Development
Section 125	Internal Control policies
Section 219	Road naming
Section 259	Order Making
Section 270	Internal review of Council decisions

A copy of the index to Council's Policy Manual has been included in this report as **Appendix "B"**. This sets out the full list of Council's policy documents as at 30 June 2013.

REGISTERS

The following are the registers required to be kept under the Local Government Act 1999:

Section 68	Members Register of Interests
Section 79	Members Register of Allowances and Benefits
Section 105	Officers Register of Salaries and Benefits
Section 116	Officers Register of Interests
Section 188	Fees & Charges
Section 196	Community Land Management Plans
Section 207	Community Land
Section 231	Public Road
Section 252	By Laws

The following are registers required to be kept under the Local Government (Elections) Act 1999:

Part 14	Campaign Donation Returns prepared by candidates
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CODES OF CONDUCT AND CODES OF PRACTICE

The following are the Codes of Conduct required to be kept under the Local Government Act 1999:

Section 63	Members Code of Conduct
Section 92	Code of Practice for Access to Meetings and Documents
Section 110	Employees Code of Conduct

OTHER INFORMATION

AUDITOR INDEPENDENCE

Ian G McDonald has been appointed Council's Auditor for a 5 year period. During the 2012/13 financial year the remuneration paid to the Auditor was \$9,000. There were no amounts paid in non-audit fees.

NATIONAL COMPETITION POLICY

Council has not conducted any category one or two "Significant Business Activities" or submitted any "In House Tenders" for Council activities during the 2012/13 year.

The Port Lincoln Airport is operated by Council and is the only significant business activity of Council.

To maintain competitive neutrality Council utilise cost reflective pricing in its airport operations. Cost reflective pricing is a calculation of the cost of providing the service, taking account of:

- The actual costs of providing the good or service on a full-cost basis
- The cost advantages of local government ownership (e.g. non-payment of taxes, lower cost of finance, mix of commercial and non-commercial activities, exemption from the operation of legislation);
- The cost disadvantages of local government ownership (e.g. increased accountability and administration, higher award rates or costs associated with enterprise agreements); and
- Return on investment and dividend payments to local government owners; to arrive at a price which is competitively neutral.

Council received no competitive neutrality complaints during the year.

Council Policies include the Council Contracts Tendering and Purchasing Policy which includes competitive tendering.

BY-LAWS

The District Council of Lower Eyre Peninsula has adopted no by-laws.

OTHER INFORMATION

COMMUNITY LAND

Council has reviewed the classification of all land and following the required public consultation procedure, 39 parcels of land have been excluded from the Community Land classification. These exclusions leave a further 145 parcels of land still classified as Community Land. Community Land Management Plans were adopted by Council on 19 October 2012 and are referenced whenever an issue arises in relation to a community land property and when reviewing budgets and strategic plans.

Council have also used this information to determine land that is in excess to Councils requirements and has determined to list for the sale the following properties

- Lot 6 & 7, Pearson Street, Cummins
- (Lot 1) 12 Jeanes Street, Cummins (Former CFS shed)

A review of the Community Land Management Plans is scheduled for December 2013.



Photo: Sunset at Halls Bay

ANNUAL BUSINESS PLAN

The Annual Business Plan for the 2013/14 year was developed with Council resolving to provide improved services and to also make allowance for the future upgrade or replacement of existing assets.

The upgrade of the Port Lincoln Airport and the Cummins Council Office were two projects that required considerable loan borrowings to achieve completion with Council mindful of the need to complete the projects within the guidelines set in the Local Government Financial Sustainability inquiry.

The plan was formulated bearing in mind a balance between the desire to contain rate rises, maintain sustainable debt levels and the achievement of the objectives of the Council strategic plan.

The Local Government Financial Sustainability inquiry of Local government in South Australia has adopted the use of four key financial indicators by the industry to monitor performance.

The key index is the Operating Surplus which was \$344,000 for the year being an increase from the \$270,000 surplus recorded in the previous financial year.

The surplus was \$395,000 lower than the surplus of \$739,000 projected in the budget for the year.

The 2012/13 budget was set with the only known depreciation figures at the time coming from the 2010/11 Financial Statements. This depreciation figure increased by \$978,000 after revaluations were completed in the 2011/12 Financial Statements.

The second major factor affecting the surplus was the unbudgeted receipt of Roads to Recovery funding totalling \$292,000. Due to reporting issues Council was advised this funding would not be received until the 2013/14 year however when the reporting issues were resolved the funding was forwarded in 2012/13.

The 2013/14 budget has been set including the increase in depreciation with an Operating Surplus of \$371,000 expected.

The actual operating surplus recorded in 2012/13 represented an Operating Surplus Ratio of 7%. This is within the LGA recommendations for the industry where it is deemed that a Council should remain sustainable while it continues to deliver Surplus's.

Council has total liabilities in excess of financial assets of \$4,670,000 at 30 June 2013. This figure is calculated as the Net Financial Liabilities Ratio and is 48%. This is the first time Council has recorded a positive ratio (financial assets have previously exceeded total liabilities) and is directly attributed to the Port Lincoln Airport loan where it is always noted that the Airport is a self funding business activity that does not affect Council rates or ratepayer activities.

ANNUAL BUSINESS PLAN

The Local Government Act stipulates that Council is required to develop a Long Term Financial Plan and an Infrastructure and Asset Management Plan as part of its suite of Strategic Plans. The Long Term Financial Plan and The Infrastructure and Asset Management Plan were updated and adopted in May 2013 and will be reviewed annually in February each year. The plans are used to evaluate Councils operating position, future cash flow and spending requirements on replacement of existing assets to ensure that adequate provision is made for these works.

Council's revenue amounted to \$9.96 million with General Rate Revenue contributing \$4.53 million or 45 percent. Other significant income came from User Charges (\$1.86 million) which principally results from the Port Lincoln Airport operations, and Operating Grants and Subsidies (\$1.67 million that included receipt of \$292,000 for 2011/12 Roads to Recovery Funding).

Reserve funds continue to be maintained for the Port Lincoln Airport, Cummins Homes and Coffin Bay Caravan Park to ensure that funds generated from these activities are available for future replacement of assets and upgrades as required.

Rural road re-sheeting costs amounted to \$777,000 and included significant works on Murray Drive, Greenpatch Road, Warunda Road, Quartz Hill Road, Wangary Streets, Charlton Gully Road, Farm Beach Road, Mena Road, Sleaford Bay Road, Clarkes Lane, Wine Shanty Road, Taylor Road, Archie Griffiths Drive, Wagner Road, Bald Hill Road and Morgan Lane.

Routine services provided including walking trail maintenance, footpath maintenance, waste management, library contributions, cemetery management, street lighting, foreshore maintenance, reserves maintenance and regulatory planning and development activities along with animal management proceeded generally in accordance with the Annual Business Plan.

Photo:
Council Loader 'I'



STRATEGIC PLAN

The District Council of Lower Eyre Peninsula's Strategic Plan was reviewed during 2011/12 and a ten year plan from 2012 - 2021 was adopted in April 2012. This Strategic Plan formed the basis for setting the 2012/2013 budget.

The objectives contained within the strategic plan are set out below:-

Objectives

1. *Provide and maintain Council assets, infrastructure and services to meet the current and future needs of the community.*
2. *Demonstrate effective, open and responsible governance and management.*
3. *Responsibly manage (Council's) impact on and preservation of the area's natural resources, natural and built environment and heritage.*
4. *Enhance the quality of life of residents and contribute to a vibrant, prosperous and sustainable community.*
5. *Expand Council's impact and sphere of influence using effective partnerships, collaborative relationships and advocacy.*

The five objectives all contain further sub-headings that list the intended outcome of the particular objective, and the strategies Council will undertake to achieve the objective.

The following table provides detail of the projects and services that were delivered in 2012/13 and outlines Council's intentions for 2013/14 to meet the objectives set out in the Strategic Plan.

This detail includes comment on the following:-

- Council services specifically identified in the Strategic Plan, in particular where increased commitment from Council is identified in the plan
- Capital projects undertaken in 2012/13 to meet the identified strategic objectives
- Existing Administration Resources used to address particular strategic plan objectives

In addition to reporting on the strategic plan objectives, the table also sets out Council's performance against the 2011/12 Annual Business Plan.

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
1.1.1	Review Council-wide service standards, during the life of the Council to ensure they reflect community expectation and are delivered in an affordable and cost effective manner.	Document and publish existing Council service standards and review regularly	Service standards to be documented by staff	Not Complete	Partially Complete Completed Plans Waste Management - August 2013 Target Dates for Completion Customer Service Standards – December 2014 Road construction and maintenance- Feb 2014 Footpath plan review - February 2014 Animal Management – April 2014 Fire Prevention – May 2014
1.1.2	Maintain and improve transport services to the community	Maintain Cummins airstrip in support of Royal Flying Doctor	\$4,800 allocated to maintain Airstrip to appropriate standard for Royal Flying Doctor.	Compliant Cummins Airstrip graded in October 2013 and Technical Inspection undertaken in order to maintain operating standard for RFDS	Budget allocation provided annually
		Investigate provision of community transport services	No financial allocation has been made in 2012/13 however Council will explore opportunities and partnerships with interested groups to explore ownership and ongoing maintenance options for a community bus.	Rescheduled Opportunities and partnerships with interested groups to be explored in relation to demand as well as ownership and ongoing maintenance costs and options for a community bus.	Rescheduled to 2013/14
		Support Red Cross Transport Services	Annual allocation of \$2,000 continued.	Compliant Annual allocation of \$2,000 continued.	Budget allocation provided annually
1.1.3	Maintain and improve effective animal management practices	Review Animal Management Plans, Policies and procedures and the associated resource requirements	Policy & procedures to be documented by staff Review Council resources required for Animal Management, including consideration of shared services opportunities	Partially Complete Animal Management Plan adopted September 2012	Review Council resources required for Animal Management, including consideration of shared services opportunities, and review policy and procedures by April 2014. (Refer 1.1)

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
1.1.4	Provide cost effective Waste Management services	Review Waste Management Strategy to ensure services comply with community expectations and the State policy on waste and recycling	Waste Management Strategy to be reviewed by staff	Completed	August 2013 Completion. Review in conjunction with budget preparations annually.
1.1.5	Contribute towards library services to cater for the needs of residents	Annual contribution to the Cummins School Community Library and Coffin Bay Agency in line with Public Library Services funding formulae	\$37,000 contribution to the Cummins Community Library (includes \$4,700 from DC Tumby Bay) and further \$16,000 contribution for One Library Management System	Compliant Annual Contributions made towards the Cummins School Community Library and further \$16,000 contribution for One Library Management System	Budget allocation provided annually
		Voluntary annual contribution to Port Lincoln Tafe Library	Annual \$5,000 contribution continued.	Compliant Annual \$5,000 contribution provided.	Budget allocation provided annually
1.1.6	Improve the landscape and maintenance standard of Council townships to engender community pride and encourage recreational activity for all ages	Streetscape upgrades included in annual budgets	Bruce Terrace, Cummins to be upgraded. Road construction cost \$500,000 and Stormwater \$111,000	Compliant Bruce Terrace upgrade for Cummins budgeted in 2012/13. Deferred until 2013/14 pending State Govt contribution of \$125,000	Bruce Tce to Commence 2013/14 Cummins Railway Corridor upgrade in conjunction with CDEC to be completed 2013/14
		Walking Trails / footpaths remain a focus of annual budgets	\$25,000 allocated to maintain Oyster Walk and Investigator Trail.	Compliant \$25,000 allocated to maintain Oyster Walk and Investigator Trail.	Budget allocations provided annually
		Reserves upgraded in line with community expectations with regard to financial capacity of Council	Lion's Picnic Reserve \$25,000 allocated to upgrade the reserves facilities.	Rescheduled Project re-budgeted in 2013/14	Further budget allocations provided for other Council reserves
			Coffin Bay Town Centre \$57,000 allocated to complete carry over works including installation of shade sails. Funded by Loan	Rescheduled Shade sail project to be completed 2013/14 following resolution of engineering issues in location	Install September 2013
Coffin Bay Town Centre \$86,000 allocated for Lower Viewing Platform to be constructed per original Town Centre design plans. Funded by loan.	Rescheduled 86,000 allocated for Lower Viewing Platform in 2013/14 year	To commence 2013/14			

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
1.1.6 Cont	Improve the landscape and maintenance standard of Council townships to engender community pride and encourage recreational activity for all ages cont'd		Coffin Bay Foreshore \$16,000 allocated to upgrade access points & parking areas along Coffin Bay Oyster Walk.	Not Completed \$16,000 allocated to rationalise the number of access points & parking areas along the Esplanade that provide access to the Coffin Bay Oyster Walk (carry over from 2012/13)	Further budget allocations planned to be provided to complete the project every two years.
		Review and plan for future upgrades and maintenance of Council playgrounds and active recreational areas	Staff will develop a playground and active recreational areas plan	Rescheduled	Commence 2013/14
			Coffin Bay Youth recreation facilities \$145,000 allocated, funded by loan.	Not Complete \$150,000 allocated in 2013/14year. Staff consulting with community regarding preferred facility & locations.	Commence 2013/14
			Cummins Youth recreation facilities \$145,000 allocated, funded by loan.	Not Complete \$150,000 allocated in 2013/14year. Staff consulting with community regarding preferred facility & locations.	Commence 2013/14
			Annual reserves maintenance budget of \$45,000 includes playground maintenance as required.	Compliant Budget provisions including playground maintenance is provided for in 2013/14	Budget allocation provided annually Review of playground plans still to be undertaken
1.1.7	Maintain the standard of Council cemeteries with reference to Cemetery Management Plan	Develop Cemeteries in line with the Cemetery Management Plan & Strategic Plan	Coffin Bay \$31,000 allocated to expand Cemetery	Complete	2013/14 budget allocation provided for: Poonindie Cemetery Fencing Mount Hope Cemetery Car park As above
			Cummins \$10,000 allocated for fencing, rubble car park and landscaping of new area	Complete	

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
1.2.1	Maintain and improve the standard of the sealed road network	Review the condition report on the existing sealed road network periodically	Review condition report in 2011/12 and consider in setting of budget	Complete Report reviewed by Council and budget decisions enacted.	Penmarric Lane, Main Street, Edillilie, Flinders Highway due to commence 2013/14
			Correa Drive, Coffin Bay \$86,000 allocated to complete upgrade of unconstructed road reserve. Work commenced in 2011/12 with carry over required to complete project.. Total Non FCA cost over two years of \$87,000 funded by \$65,000 Roads to Recovery and \$22,000 loan.	Complete	Complete 2013/14
			Hirchausen Road \$36,000 allocated to complete road sealing. Funded by loan and carried over from 2011/12	Complete	
		Prioritise the program of sealing or resealing township roads according to strategic priorities as identified in the Capital Works program	Sullivan Drive \$746,000 allocated towards completion of sealing from Lincoln Highway to Point Boston Housing development. This project has been carried forward from 2011/12 due to delays in land acquisitions. Note – Total cost of project \$1,015,000 financed by Developer \$710,000, General Rate Revenue \$20,000 and a loan of \$285,000. This project is being undertaken due to the substantial contribution made by the developer and the benefit received by Council in the realignment of Sullivan Drive.	Not Complete Project deferred in 2012/13 to allow completion of Land Acquisitions	Complete 2013/14

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
1.2.1	Maintain and improve the standard of the sealed road network	Prioritise the program of sealing or resealing township roads according to strategic priorities as identified in the Capital Works program	Howard Avenue, Boston Township \$166,000 allocated to complete final section of road sealing. Funded by Roads to Recovery. Project carried over from 2011/12	Complete	
			Bruce Terrace, Cummins \$500,000 Road sealing including upgrades as identified in traffic management review. Project carried over from 2011/12 Note – Non FCA cost of \$455,000 to be funded by \$385,000 loan and \$70,000 General Rates	Not Complete Bruce Terrace upgrade for Cummins budgeted in 2012/13. Deferred until 2013/14 as dependant upon State Govt contribution of \$125,000	Commence 2013/14
			Farm Beach Road \$25,000 allocated to complete sealing in front of shacks and portion of Hull Road. Funded by loan. Project carried over from 2011/12	Complete	
1.2.2	Continue to improve the standard of the unsealed road network throughout Council area	Maintain budgets for rubble road re-sheeting in line with the Road Asset & Infrastructure Management Plan	Rubble Road Re-sheeting budget of \$662,000 compared to budgeted expenditure in the previous year of \$681,000. Part funded by \$82,000 Roads to Recovery. Amount reduced from previous year to allow \$60,000 to be allocated towards upgrade of Wangary Streets.	Complete Budget provisions made in line with Strategic Plan and AIMP	Budget allocation provided annually
			Wangary Streets \$60,000 allocated funded by loan borrowings.	Complete	

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
1.2.2	Continue to improve the standard of the unsealed road network throughout Council area	Maintain budgets for rubble road re-sheeting in line with the Road Asset & Infrastructure Management Plan	Archie Griffiths Drive (Commodity Route) \$190,000 allocated to upgrade turning lane. Non FCA cost of \$180,000 funded by Level Crossing Black Spot Funding of \$170,000 and General Rate Revenue of \$10,000. Project carried over from 2011/12 due to delay in receiving Railway Authority approval.	Partially Complete Project commenced by Council contractor and sealing component to be completed in 2013/14 by Genesee Wyoming approved Contractor	Complete 2013/14
		Continue replacement of Rural Road Culverts	Replacement of culverts included in re-sheeting budgets	Compliant Replacement of culverts included in re-sheeting budgets	Budget allocation provided annually
		Liaise with industry & government regarding opportunities to improve the road network		Compliant	Continue to liaise whenever opportunities are available.
1.2.3	Council roads maintained in line with 'Road Network Management Plan'	Develop Road Network Management Plan	Road Network Management Plan to be developed by staff	Not Complete Refer 1.1.1	Commence 2013/14
1.2.4	Plan for upgrade of existing infrastructure and assets to meet current and future needs of the community	Develop a plan and leverage grant funding for future upgrades and maintenance requirements for Council boat ramps	Boat ramp plan to be developed by staff	Not Completed Boat ramp plan to be developed by Works department.	Commence 2013/14
				Completed Coffin Bay Boat ramp car park upgraded	
		Review township footpath plans to cater for families, less able bodied persons and young people and to reflect desired community standards	Footpath plan to be reviewed by Council	Not Complete Target date for plan review is February 2014	Commence 2013/14 Cummins footpath construction / upgrades due 2013/14
			Coffin Bay - \$59,000 allocated for footpath construction, funded by loan.	Complete	Complete 2012/13
		Poonindie & North Shields footpath upgrades / construction	Complete	Complete 2011/12 & 2012/13	

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
1.2.4	Plan for upgrade of existing infrastructure and assets to meet current and future needs of the community	Plan to encourage cycling within built up areas by giving consideration to annual budgets toward cycling initiatives		Compliant	First cycling initiative as per Strategic plan due in 15/16 as outlined in Strategic Plan
		Review the requirement for Industrial Land across the Council district and investigate re-zoning of appropriate land to meet demand	Structure Plan to consider provision of industrial Land in Greater City of Port Lincoln area	Compliant Structure Plan has been substantially completed however advice at this time is to now move ahead with the relevant DPAs rather than spending additional resources on completing the Structure Plan when it will not be part of the Planning Strategy.	
			\$40,000 allocated to complete Structure Plan to consider provision of industrial Land in Greater City of Port Lincoln area	Not Complete Design and cost for Cummins Industrial Area expansion, including supporting consultancy budget of \$10,000 by February 2014	Commence 2013/14
1.2.5	Plan for the future service needs of the community	Review and document infrastructure and services provided in each township within the Council area	Township service review to be completed by staff	Not Complete	Amended timeframe to complete is 2014/15
			\$50,000 allocated for further repairs to upgrade Cummins Institute in line with priorities set out in Mace Engineering report	Not Complete \$30,000 allocated for further repairs to upgrade Cummins Institute	Commence 2013/14
		Review adequacy of Council street lighting and formulate plans for upgrades	Council determine its intent towards future street lighting upgrades	Not Complete Investigate street lighting standards in Council townships and develop position on future upgrades	Due date June 2014
		Review service levels in all Council reserves across the district	Staff to review service levels in Council Reserves.	Not Complete	Amended timeframe to complete is 2014/15 year
		Plan for expansion of Cummins Industrial Area	\$20,000 allocated to complete Feasibility study for expansion of Cummins Industrial area	Not Complete Refer 1.2.4	
		Upgrade the Cummins Council office and chambers	\$478,000 allocated to complete upgrade. Total project cost over two years is \$746,000 funded by loan borrowings.	Complete	

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
2.1.1	Act impartially in the interests of all sectors of the community and ensure equitable service delivery	The views and needs of all sectors of the community considered in review of Strategic Plan and setting of Annual budgets and Business Plans	Community views considered in setting Annual Business Plan	Compliant	Ongoing
2.1.2	Communicate effectively with ratepayers & residents (<i>SASP T32 Customer Client Satisfaction</i>)	Maintain an up-to-date Council web site with increased capacity as an interactive means of communication	Web site upgraded in March 2012 and to be updated regularly by Council staff	Compliant	
		Identify additional methods for information sharing and engagement with community groups and relevant stakeholders	Council staff to consider options for online public consultation	Compliant Council used survey monkey for Annual Business Plan consultation CEO to explore further Communication Engagement Strategies and report to Council	Commence 2012/13
		Consult with indigenous communities as part of public consultation prior to implementation of significant Council initiatives (<i>SASP T6 Aboriginal Wellbeing</i>)	Staff to identify indigenous communities and seek feedback in relation to Annual Business Plan	Not Complete	Ongoing
2.1.3	Improve the standards of governance throughout the organisation to meet legislative requirements	Review all administration policies to reflect current legislative requirements and to ensure Council has clear guidance to enable consistent, efficient and timely decision making.	Council policies to be reviewed annually to ensure they are in line with legislative requirements	Compliant Policies reviewed upon legislation or organisational change and in line with best practice advice from the Local Government Association.	Ongoing
		Review established practices, policies, and procedures for customer & rate payer requests for service and lodging of complaints to meet the legislative requirements of section 270 of the Local Government Act	Staff will review and implement practices to record customer and ratepayer requests	Compliant Council has adopted policies in relation to Complaints & Compliments as well as Requests for service	

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
2.1.3	Improve the standards of governance throughout the organisation to meet legislative requirements	Annual review of Council delegations and sub-delegations to ensure they best serve the needs of the Council	Council to review delegations to CEO	Compliant	July 2013 adopted by Council - Annual review required
		Implement action plans to improve performance in relation to Risk Management, OHSW compliance and governance issues	Staff will review the Legal Compliance Action Plan	Compliant 80% of actions completed by 2012/13, and will be ongoing into 2013/14	100% completion by commencement 2014/15 year
			KPI Audit Action Plan developed and reviewed in November each year	Compliant Plans to be further reviewed in 2013/14 following WHS KPI Audit	
			Risk Management Review Action Plan developed and reviewed in November each year	Compliant Risk management action plans developed in line with recommendations from Council's annual Risk audit.	
		Upgrade Records Management policies, procedures and systems, including consideration towards purchase of purpose built software within the financial capacity of Council	Staff to attend to issues identified in Records Management audit	Not Complete Records management practices and systems to be reviewed in 2013/14 and provide a report regarding future strategies to achieve legislative compliance.	Commence 2013/14
2.1.4	Maintain an up to date planning framework which encourages and supports soundly based residential and economic growth (SASP T36 Government Planning Decisions)	In conjunction with the City of Port Lincoln develop a Structure Plan for the Greater City of Port Lincoln Area	\$40,000 allocated to complete Structure Plan	Compliant Structure Plan has been substantially completed however advice at this time is to now move ahead with the relevant DPAs rather than spending additional resources on completing the Structure Plan when it will not be part of the Planning Strategy.	
		Periodically review Council's planning policies, processes and enforcement practices		Not Commenced Due to commence in 2013/14 as per Strategic Plan	Strategic Directions report due by June 2014.

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
2.1.4	Maintain an up to date planning framework which encourages and supports soundly based residential and economic growth (SASP T36 Government Planning Decisions)	Complete Better Development Plan review	Coastal & general development plan conversion \$15,000 allocated to complete	Partially Complete Review of impact on properties has been undertaken, with view to progressing issue in 2013/14	Complete 2013/14
		Undertake DPA's where community benefit is foreseen, in particular: -	North Shields DPA \$10,000 allocated to complete	Not Complete	\$10,000 allocated to complete
			Boston Rural Living DPA \$20,000 allocated to complete	Not Complete	\$20,000 allocated to complete
			Cummins DPA \$5,000 allocated to complete	Not Complete Minor alterations need to be made before resubmitting DPA back to DPTI for approval.	Complete 2012/13
2.2.1	Ensure sound risk management systems and business continuity plans in place	Develop risk management systems aligning with adjacent Councils of the Eyre Peninsula Local Government Association (EPLGA)		Compliant Greater City of Port Lincoln Bushfire Prevention Plan developed	
		Develop business continuity plans to ensure surety of Council operations		Compliant Due to commence in 2013/14 as per Strategic Plan	Review of Business continuity plan required to ensure legislative framework (AS/NZ50:50) met.
2.2.2	Ensure Council is financially sustainable in the longer term	Complete the recommendations of the 'Managing for the Future – Continuous Improvement Program'		Compliant	Recommendations reviewed and implemented as appropriate
		Subject major initiatives of Council to a thorough prudential analysis, including consideration of long term costs and benefits and analysis of project risks		Compliant	Airport Upgrade was subject to Prudential Review Formal procedures / guidelines to be put in place by Audit Committee

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
2.2.3	Develop and maintain an Infrastructure and Asset Management Plan for all classes of assets incorporating long term maintenance, renewal and replacement plans and strategies to resource current funding/service gaps over the period of the plan	Update the Asset & Infrastructure Management Plan (A&IMP) and Long Term Financial Plan (LTFP) annually following the release of the Annual Business Plan	A&IMP and LTFP updated annually in October	Compliant	
		Review the base data of the Infrastructure & Asset Management Plan to ensure it adequately measures the rate of deterioration/depreciation, including annual review between condition audits and periodic valuations		Compliant Database reviewed in 2011/12	
		Review rating practices to ensure inter-generational funding of asset renewal is occurring	Rating practices reviewed in preparation of budget	Compliant	Annually
2.2.4	Ensure Council owned assets and property are reflective of Council's longer term objectives	Maintain up to date Asset Register and Community Land Management Plan	Community Land Management Plans to be adopted in line with legislation	Compliant Plans reviewed and adopted 19/10/12	Annual review required.
		Identify assets and property which are under-utilised or surplus to requirements and consider disposal/usage options	Asset register will be reviewed and Council will consider assets that are surplus to requirements	Complete Register of assets Incorporated into Community Land Management Plans.	Surplus assets to be determined and disposed of by Council.
2.2.5	Review Council business activities to ensure they represent value to the ratepayers	Review Coffin Bay Caravan Park operation to ensure that it is financially sustainable in the longer term	Caravan Park operation reviewed to ensure running profitably	Complete 2012/13 budget set with Caravan Park budgeted to have \$14,300 profit	Annually
		Review Business Plan for Port Lincoln Airport including review of ownership and management structures to maximise benefits to the council and the region.			Business Plan to be reviewed in 2013/14 year

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
2.2.5	Review Council business activities to ensure they represent value to the ratepayers	Review Cummins Homes operation	Staff will prepare report to Council regarding facilities	Not Complete	A review of the mix of accommodation provided is listed for review in 2013/14.
			Staff review of Cummins Homes operation to ensure running profitably	Complete Currently operating at a very small loss.	Rents to be reviewed in 13/14 budget
2.3.1	Support and assist Elected Members to undertake their statutory responsibilities and roles as community leaders	Annual training programs developed for Elected Members training	Elected member's annual training programs developed with reference to the life of Council term	Compliant	Reviewed annually.
		Budget provisions made for Elected Member training	Elected member's attend training programs over life of Council	Compliant	Allocations made annually.
2.3.2	Appropriately represent Council at regional forums	Attendance of staff and Elected Members at LGA and EPLGA meetings	Elected members attend at least one Local Government Forum every year, and staff regularly attend relevant forums	Staff Compliant Council Partial Compliance Cr Millard – Road & Works, EPLGA, LGA Conference and meetings. Mayor Low – LGA forums, meetings, conferences, EPLGA conference, LGA mining forum. Cr Murray – EPLGA, Roads & Works, LGA Conferences. Cr Pedler – EPLGA Conference Cr Mitchell – Road & Works Conference.	Staff and councillors attended operational forums as required & available.
2.3.3	Support and assist Staff to undertake their roles and responsibilities to a high standard	Develop a Workforce plan for the staff complement of Council to ensure that staffing and succession planning is commensurate with service standards of Council identified in the Strategic Plan	Workforce plan to be developed and reviewed regularly	Partially Complete Organisational review conducted 2012/13.	
		All Council staff receive annual performance appraisals and feedback	All staff are subject to annual performance review	Partially Complete	Target is for 80% of staff to be subject to annual performance review by 2013/14
		Annual training programs developed for staff following annual Training Needs Analysis	Annual Staff training programs developed	Compliant Training programs developed in consultation with Dept Managers.	Annually

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
2.3.3	Support and assist Staff to undertake their roles and responsibilities to a high standard	Maintenance of an effective Work Health & Safety Management System incorporating LGAWCS One System Policy & Procedures	Review completed annually	Compliant One System implementation schedule developed and endorsed by WHS Committee.	Annually
			Development of 'One System' policies and procedures Three procedures are reviewed and amended every three months	Partially Complete One System implementation schedule developed and endorsed by WHS Committee.	Ongoing until complete
2.3.4	Ensure Council has a strong Customer Service focus.	Develop strategies to improve customer relations	Training provided to appropriate staff with customer relations responsibilities	Not Complete	Rescheduled for 2013/14
3.1.1	Implement cost effective waste management strategies	Explore opportunities to reduce waste to landfill (SASPT67 Zero Waste)	Council waste management practises to be reviewed	Compliant Council is entering into arrangement with City of Port Lincoln and DC Tumby Bay to receive e waste	Ongoing
		Explore opportunities for efficient collection of recyclables		Compliant	Council has adopted waste management level of service document.
		Ensure adequate budget provision made for waste management	\$560,000 allocated for Waste collection contract. \$128,000 allocated to Transfer Station operations	Compliant Budget provisions made.	Budget allocation provided annually
		Support Regional Landfill Facility	Council waste being delivered into regional land fill facility	Complete Council waste being delivered to Regional Landfill	Ongoing
3.1.2	Maintain and consider options to upgrade township effluent waste-water systems (SASP T73 Recycled Waste)	Review the requirement for implementation of new CWMS systems at townships where environment is impacted by current systems	Review requirement for future effluent disposal.	Not Complete	
		CWMS North Shields, Cummins, Coffin Bay, Tulka system components completed in line with budgets.		Compliant	

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
3.2.1	Work in conjunction with appropriate State Government agencies for the protection and sustainable use of the extensive coastline of the Council area (SASP T71 Marine Biodiversity; T72 Nature Conservation).	Protect the natural and built environment by improved stormwater management and re-use, and reducing contaminated discharge in coastal areas	Bruce Terrace, Cummins \$111,000 allocated to upgrade stormwater drainage on Bruce Terrace, funded by loan. Works carried over from 2011/12.	Not Complete Plans developed for project to be undertaken in 2013/14	Commence 2013/14
		Develop foreshore vegetation management plan for significant areas of crown land under the care and control of Council in partnership with relevant agencies		Complete	
		Ensure appropriate signage to "at risk areas" to assist the community in protection of the habitat of those areas			Commence 2013/14 Signage to be placed at identified high risk areas.
		High priority issues on coast line discussed and prioritised with relevant agencies		Commence 2013/14	
		Seek support from relevant agencies for the protection of coastal environments in areas of high tourism and residential use	Lobby Coastal Protection Board for provision of funding to undertake coastal protection works, including Tulka township	Partially Complete Coast protection Board to fund sea level mapping project	Ongoing
	North Shields Seawall. Project commenced in 2011/12 with total cost of \$200,000 funded by grant of \$152,000 and loan borrowings of \$48,000	Complete			
3.3.1	Actively participate in development enactment and promotion of fire prevention plans for the community	Participate in development of fire prevention plans by the Regional Bushfire Management Committee	Regional Bushfire Prevention Committee to develop plans for DCLEP area with assistance from Council staff	Compliant Council has developed Fire Prevention Plans, and MDES participates in development of regional plans with Regional Bushfire Prevention Committee	Council to maintain involvement as required

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
3.3.1	Actively participate in development enactment and promotion of fire prevention plans for the community	Support initiatives which inform and assist landholders to be prepared for bushfire	Council will support initiatives as presented and General Inspector will participate in community information days	Compliant GI participated in community information days Section 105 notices issued	Ongoing
		Carry out works as identified in the Lower Eyre Peninsula Bushfire Prevention Plan	\$80,000 allocated for fire prevention works to be completed in preparation for fire season	Complete Works undertaken in accordance with the fire prevention works program.	Budget allocation provided annually
		Participate in Greater City of Port Lincoln Bushfire Prevention Committee and include relevant actions within Council Annual budgets	Fire prevention strategies related to Greater City of Port Lincoln Bushfire Committee carried out within financial capacity of Council prior to October each year	Compliant Majority of major strategic works projects have been completed.	Maintenance is ongoing.
3.3.2	Work cooperatively with State agencies to ensure Council managed land, including road side verge vegetation, is consistent with and supportive of emergency services response capacity	Liaise with local fire authorities and establish acceptable standards for roadside vegetation consistent with keeping the area safe and enabling effective fire control	Liaison and where possible, appropriate standards of road side vegetation developed in conjunction with fire authorities and Native Vegetation Council	Compliant	Roadside Vegetation Management Plan to be adopted in 2013/14.
3.3.3	Develop Council road network which will assist with fire mitigation	Develop road network concept plans to support future Development Plan Amendments in areas of high fire risk	Develop road concept plans for Boston area in conjunction with Boston Rural Living DPA	Not Complete	Commence 2013/14
		Pursue establishment of link roads in Lincoln Fringe Area (Boston)	Budget provisions for establishment of link roads	Not Complete	Commence 2013/14
3.3.4	Use Council's powers under the <i>Fire and Emergency Services Act 2005</i> to promote and enforce the responsibilities of landowners in controlling fire hazards	Review Council's Fire Hazard Control standard operating procedure	Staff will develop fire hazard control standard	Not Complete Procedure being developed, but not yet in place.	Complete 2013/14

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
3.4.1	Assess the predicted impact of climate change in the Council area including any impact from higher sea levels in coastal towns (SASP T62 Climate Change Adaption)	Review LGAMLS Climate Change Adaption Strategy	Include actions in Annual Budgets in line with financial capacity and with consideration of risk factors	Complete Actions included in budget, including North Shields Sea wall.	Review of strategy to be undertaken & report presented to Council for consideration in 2013/14
3.5.1	Work cooperatively with the Natural Resource Management Board and other relevant Government agencies to ensure a quality, sustainable and expanded water supply is available to meet existing and future needs of community and business	Participate in reviews of the SA Water Long Term Plan	Council to provide representation and input towards SA Water Long Term Plan for Eyre Peninsula	Complete CEO & Cr Pedler participated in SA Water LTP review	Council to maintain involvement as required
		Participate in reviews undertaken by Eyre Peninsula Natural Resource Management Board (EPNRMB) into water supply and demand for Eyre Peninsula	Council to participate in annual EPNRMB supply and demand analysis meetings as appropriate	Compliant	Council to maintain involvement as required
3.6.1	Support the Natural Resource Management Board, government agencies, agricultural interests and the community to ensure sustainable land management practices are utilised (SASP T70 Sustainable Land Management)	Participate in land management practise forums conducted in the region	Council to participate in relevant forums as appropriate	Compliant	Council to maintain involvement as required
4.1.1	Encourage the retention of young people in the community and their participation in its future (SASP T23 Social Participation)	Work with relevant agencies to encourage development of business activity and initiatives conducive to ensuring young residents have the option of remaining and working in the area (SASP T47 Jobs & T46 Regional Population Levels)	Opportunities to be taken to support relevant agencies in initiatives to retain youth in district where appropriate	Compliant Council has participated in the Skills for Jobs program as a pilot with City of Port Lincoln & DC Tumby Bay representing the Local Government sector. Council has cooperated to assist with the role out of the Federal Government employment program by assisting with sourcing office space in Cummins.	Council to support projects and initiatives where warranted.

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
4.1.1	Encourage the retention of young people in the community and their participation in its future (SASP T23 Social Participation)	Liaise with Regional Development Australia Whyalla & Eyre Peninsula (RDAWEP), industry and business to assist in encouragement of expanded employment opportunities for young residents	Support RDAWEP initiatives to retain Youth in district	Compliant Refer above	Council maintains strong working relationship with RDAWEP
		Consider options of work placement/experience for senior students of local schools and a system of traineeships where appropriate	Review to be undertaken of costs and benefits in employment of trainees	Not Complete Traineeships and apprenticeships have not been implemented within Council	Review 2013/14
4.1.2	Assist the well-being of residents by encouraging involvement and participation in community group activities and programs (SASP T24 Volunteering)	Promote community groups and events	\$25,000 allocated for Community & Sporting Groups Capital Grant available on a competitive basis	Compliant Council supports community and sporting groups by way of Capital Grants Program and Reserves Support Grants	Budget allocation provided annually
		Encourage and support community volunteers to Council and community activities	Community volunteers encouraged and appropriately inducted	Compliant Volunteer induction program in place.	Ongoing
		Develop Memorandum of Understanding for the YAC		Not Complete MOU drafted	Complete 2013/14
		Council involvement and support for Youth Advisory Committee	\$3,000 allocated for YAC funded by \$1,500 grant. Community Development Officer to attend YAC meetings	Compliant CDO attended 100% of YAC meetings. Budget provision made.	Budget allocation provided annually
		Funding for Youth Week activities	\$3,000 allocated for Youth week funded by grant	Compliant Budget provision made.	Budget allocation provided annually
4.1.3	Support strategic upgrading of sporting, recreation and community facilities in the townships of the Council area	Annual budget provision for upgrade of facilities which meet Council's strategic objectives	Coffin Bay Town Centre - \$143,000 allocated for installation of Shade Sails and construction of lower viewing platform. See Section 9 for further details on this project.	Not Complete Refer 1.1.6	Complete 2013/14

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
4.1.3	Support strategic upgrading of sporting, recreation and community facilities in the townships of the Council area	Annual budget provision for upgrade of facilities which meet Council's strategic objectives	Coffin Bay Youth Recreation Facilities \$145,000 allocated to construct youth recreation facilities in Coffin Bay	Not Complete Refer 1.1.6	Commence 2013/14
			Cummins Youth Recreation Facilities \$145,000 allocated to construct youth recreation facilities in Cummins	Not Complete Refer 1.1.6	Commence 2013/14
			Cummins RSL Memorial contribution \$20,000 allocated as donation towards RSL Memorial to be constructed in Cummins.	Complete	
			Cummins Memorial Swimming pool \$14,000 allocated for annual contribution. \$6,000 towards Chemical pit carried over from 2011/12. \$50,000 allocated towards Swimming Pool change rooms/canteen upgrade project, funded by loan.	Complete	Budget allocation provided annually Complete 2012/13 Complete 2012/13
			Continue to provide 'Community Reserves Support Grants' to assist with local initiatives	\$4,000 allocated for Community Reserves Support Grant available on a competitive basis.	Compliant Grants budgeted and advertised for community groups.
4.1.4	Support and promote local communities	Continued employment of Community Development Officer	Community Development Officer position to be maintained	Compliant Community Development Officer is employed	Ongoing
		Provide financial and office support for the Cummins & District Enterprise Committee	Minimum of \$6,000 per annum provided to C&DEC subject to ongoing matching community funding	Compliant Budget allocation made.	Budget allocation provided annually
		Coffin Bay Sun contribution	Council staff assist with newsletter printing	Compliant Council staff are printing 400 copies of the Coffin Bay Sun monthly.	Ongoing

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
4.1.4	Support and promote local communities	Provide financial support for local community events	Council to continue to support annual community events within its financial capacity	Compliant Various events supported at discretion of Council.	Ongoing
4.2.1	Contribute to reducing health risks for residents and their families by promoting their participation in healthy lifestyles, social inclusion and health services	Lobby government and non government service providers to ensure appropriate facilities and services to cater for the health and welfare of residents, particularly aged care.	Council have given in principle support for a Coffin Bay Medical Clinic to be developed on Council owned land.	Not Complete Negotiations in progress.	Council to maintain involvement as required
4.2.2	Encourage development of retirement living/aged accommodation in township locations to enable retention of long term residents	Consider opportunities for development of retirement/aged accommodation, in particular in Coffin Bay	Retirement Living to continue to be pursued in Coffin Bay	Not Complete	Ongoing
		Maintenance and administration of Cummins Homes	\$69,000 allocated for maintenance and operation of Cummins Homes.	Complete	Upgrades of facility bathrooms commences 2013/14
			\$54,000 allocated to remove and replace asbestos roof insulation and asbestos fencing	Complete	
4.3.1	Facilitate supply of sufficient residential and industrial land to cater to future growth whilst protecting important rural land and having regard for land of high conservation value (SASP T46 Regional Population Level)	Support development and supply of residential land in the township of Cummins by providing contribution towards infrastructure costs up to \$5000 per allotment for subdivision schemes agreed by the elected Council	Residential Sub-division to be encouraged in Cummins Township	Compliant Council has provided incentive within the Annual Budget, and taken action towards acquiring residentially zoned land and to assist developers with residential living initiatives.	Council to maintain involvement as required
		Undertake DPA's in timely manner to ensure sufficient supply of residential and industrial land	North Shields DPA - \$10,000 allocated	Not Complete The Structure Plan process has been completed to an extent that it can now feed into the relevant DPAs. North Shields Settlement DPA will now recommence.	Commence 2013/14

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
4.3.1	Facilitate supply of sufficient residential and industrial land to cater to future growth whilst protecting important rural land and having regard for land of high conservation value (SASP T46 Regional Population Level)	Undertake DPA's in timely manner to ensure sufficient supply of residential and industrial land	Boston Rural Living DPA - \$20,000 allocated	Not Complete The Structure Plan process has been completed to an extent that it can feed into the relevant DPAs. Boston Rural Living DPA will recommence.	Commence 2013/14
			Cummins DPA - \$5,000 allocated	Not Complete Some minor alterations need to be made prior to resubmitting back to DPTI.	Complete 2013/14
		Encourage residential expansion of existing townships		Compliant	Developers encouraged to provide residential expansion when opportunities present
		Support and encourage expansion of supply of industrial land consolidated around existing industrial precincts	Council to investigate industrial land supply at Stamford Industrial area	Complete	
			Council to investigate industrial land supply at Cummins and Coffin Bay Industrial area. \$20,000 allocated for Feasibility Study in Cummins.	Compliant Cummins Industrial land being provided through Cummins Township DPA. Additional land at Coffin Bay unable to be provided at this time due to restrictions in NV clearance.	

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4.3.2	Infrastructure and facilities at the Port Lincoln Airport provided to ensure ease of access to the region, maximising tourism visitation (SASP T56 Strategic Infrastructure)	Completion of Terminal Building, Apron, Taxiway and Car Park upgrades	Airport Terminal upgrade \$8,469,000 allocated to complete construction of new Terminal. Work carried over from 2011/12.	Complete	Completed 2012/13
			Taxiway \$558,000 allocated to upgrade Taxiway Work carried over from 2011/12	Complete	Completed 2012/13
			Apron \$1,301,000 allocated to upgrade Apron Work carried over from 2011/12	Complete	Completed 2012/13
			Apron interface and landscaping \$161,000 allocated for Apron interface and Landscaping. Work carried over from 2011/12	Complete	Completed 2012/13
			Runway Seal		Commence 2013/14
			Electrical upgrade \$376,000 to upgrade power supply for new Terminal Work carried over from 2011/12	Complete	Completed 2012/13
			General car park upgrade \$905,000 allocated to construct new car park at Terminal. Work carried over from 2011/12	Not Complete Works in place to complete project early 2013/14 year	Complete 2013/14
			Lighting Upgrade \$19,000 allocated to upgrade Lighting at Terminal. Work carried over from 2011/12	Partially Complete Airside lighting upgrades complete Car Park Lighting needs being investigated	Complete car park lighting in 2013/14
			Car park Stormwater Drainage \$41,000 allocated to construct adequate drainage for car park at new Terminal	Not Complete Works in place to complete project early 2013/14 year	Complete 2013/14

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4.3.2	Infrastructure and facilities at the Port Lincoln Airport provided to ensure ease of access to the region, maximising tourism visitation (SASP T56 Strategic Infrastructure)	Completion of Terminal Building, Apron, Taxiway and Car Park upgrades	Car park fencing \$51,000 allocated to construct car park fencing	Not Complete Works in place to complete project early 2013/14 year	Complete 2013/14
			Old Terminal building (offices) Upgrade		Commence 2013/14
4.3.3	Position the Council to be able to respond to the potential positive and negative impacts of mining/resource development within the Council and adjacent areas	Undertake assessment in conjunction with Regional Development Australia Whyalla and Eyre Peninsula (RDAWEP) and Eyre Peninsula Local Government Association of the likely implications of mining and resource development and support strategies which encourage and foster environmentally sensible and sustainable development (SASP T47 Jobs)	Support the EPLGA & RDAWEP in relation to mining impact assessments for Eyre Peninsula	Compliant CEO & Mayor Low attended LGA Mining Forum	Council will continue to be actively involved and support the EPLGA & RDAWEP where warranted
		Identify locations of likely mining resource development and opportunities	Liaison with mining companies to provide Council with best available knowledge on status of ventures	Complete Participation in mining workshops and presentations	Council to maintain strong working relationship with mining companies
		Lobby EPLGA to undertake a mining impact assessment for Eyre Peninsula Councils			Commence 2013/14 with a mining impact assessment being undertaken for Eyre Peninsula
		Support the establishment of strategic infrastructure including rail and road development to facilitate appropriate mining development and operations in the region, (RDAWEP 1.1.4)	Participate in Resource & Energy Sector Infrastructure Council and other relevant studies into provision of infrastructure to provide for future mining operations on Eyre Peninsula	Complete Participation in RESIC workshops	Council to maintain involvement as required
	Maintain road infrastructure on Council road network for mining ventures.		Compliant	Budget allocation provided annually	

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4.3.3	Position the Council to be able to respond to the potential positive and negative impacts of mining/resource development within the Council and adjacent areas	Support the establishment of strategic infrastructure including rail and road development to facilitate appropriate mining development and operations in the region,(<i>RDAWEP 1.1.4</i>)	Council to participate in negotiation for rail infrastructure to provide appropriate links to mining ventures and ports	Complete Participation in RESIC workshops	Council to maintain involvement as required
4.3.4	Support initiatives that maximise employment outcomes in the region's workforce (SASP T47 Jobs) (<i>RDAWEP 5.1.1</i>)	Maximise tourism opportunities by promotion of the area, its facilities and attractions both locally and to the broader tourist cohort (SASP T4 Tourism Industry)	\$29,000 allocated for tourism advertising and support including \$9,300 to RDAWEP Tourist Officer	Complete Budget provisions made for RDAWEP Tourism Officer and various tourism initiatives, including production of brochures for Coffin Bay & Cummins	Budget allocation provided annually
		Maintain and improve Council's tourism assets, ensuring the Council area and its attractions are kept clean, safe and community friendly (SASP T4 Tourism Industry)	Coffin Bay Caravan Park lease maintained to ensure a quality facility is provided	Complete Port Lincoln Airport upgrade largely achieved, and Coffin Bay Caravan Park facilities upgraded and maintained in line with lease	Ongoing
			Port Lincoln Airport infrastructure improved and maintained to provide for the needs of air access to Eyre Peninsula		
		Develop relationships with government and other stakeholder interests to ensure the prosperity of the airport	Liaison with SATC, Airlines and other relevant agencies aimed at maximising access and employment opportunities to the region	Compliant	Ongoing
Liaise with and support educational facilities within the district to meet the needs of the local community (<i>RDAWEP 9.1.3</i>)	Support is provided for education initiatives within the financial capacity of Council	Complete Support provided to assist with Library Car park upgrade, and ongoing financial contribution to Library	Council to maintain involvement where required		

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No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
4.3.5	Upgrade public infrastructure to provide for business and industry development	Support initiatives of RDAWEP and EPLGA to improve electricity and water supplies and infrastructure (SASP T56 Strategic Infrastructure) (RDAWEP 1.1.2 and 1.1.3)	Opportunities to lobby for, encourage and support electricity and infrastructure and water supplies to Eyre Peninsula where appropriate	Compliant	Council will continue to be actively involved and support the EPLGA & RDAWEP where warranted
		Work in conjunction with Mining interests to ensure local roads are fit for purpose to cater for agriculture, mining and residential requirements	Roads maintained appropriately prior to commencement of mining operations	Compliant	Budget allocation provided annually
4.3.6	Lobby for Government funding and initiatives to ensure maintenance and upgrading of the arterial transport network including the rail network for freight movements	In collaboration with adjacent Councils lobby for enhancement and upgrade of the rail network to support economic development (RDAWEP 1.2.3)	Opportunities to be taken to lobby for upgrade of the Rail network where appropriate	Complete Participation in Greater City of Port Lincoln Structure Plan has identified critical road interfaces and linkages around Port Lincoln	Council to maintain involvement where required
4.3.7	Promote the region as an attractive lifestyle location to potential new residents (RDAWEP 2.1.2)	Promote seaside towns as attractive living and retirement locations	Opportunities to be taken to promote the virtues of sea side towns for retirement living by way of township promotion and advertising	Compliant Refer 4.2.2	Ongoing
		Promote region as a preferred location for business and industry investment (RDAWEP 7.1.3)	Opportunities to be taken with business and industry leaders to promote the benefit of industry investment in the region	Compliant	Ongoing
4.3.8	Actively support the establishment of value added business initiatives	Development Plan amendments to consider zoning land for value added activities (RDAWEP 3.1.2)	DPA's to consider zoning appropriate land to support value added business activities	Compliant Development Plan Amendments consider provision of land for value added activities	Ongoing

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4.4.1	In collaboration with adjacent Councils develop and maintain tourism facilities to increase the levels of visitation to the area (SASP T4 Tourism Industry)	Undertake a consolidated review of facilities with the adjacent Councils to encourage regional development and maintenance of tourism services and facilities	Review to be completed	Deferred to 2013/14	Commence 2013/14
		Improve visitor access to the region to encourage tourism growth	Maintain airport facilities to a high standard	Complete	Budget allocation provided annually
			Encourage Tourism growth within the region	Complete Coffin Bay ablution block & camp kitchen	
				Complete Farm Beach camp ground upgrades	
				Compliant Motor Home sullage point	Council decision to not include in 2012/13 budget
		Continue voluntary financial support of the Port Lincoln Visitor Information Centre	\$5,000 annual contributions to support PLVIC to continue	Compliant Funding provided in annual budget	Budget allocation provided annually
Along with Eyre Peninsula Councils and other stakeholders assist with funding of Tourism Officer employed by Regional Development Australia Whyalla & Eyre Peninsula	\$9,300 financial support provided to RDAWEP for Tourism Officer	Compliant Funding provided to RDAWEP to employ tourism officer	Budget allocation provided annually		
4.4.2	Work cooperatively with The Department of Environment and Natural Resources to promote the unique natural assets of the coast and natural flora and fauna for the benefit of eco tourism	Establish a regular dialogue with stakeholders (i.e State agencies, The Eyre Peninsula Natural Resource Management Board and tourism bodies) to ensure the natural environment is protected but available for sensitive eco tourism experiences	Council to liaise with relevant agencies (including EPNRMB) to assist with ensuring the natural environment is promoted as a eco tourism opportunity but adequately protected	Compliant	Council to maintain involvement where required

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4.5.1	Support sustainable and viable primary industries	Recognise the value and importance of agriculture and aquaculture business in Council decision making	Recognition of Agriculture and Aquaculture in Council decision making	Compliant	Ongoing
		Lobby on behalf of industry in the development of Marine Parks to ensure they are low impact and do not impact on the continued growth and viability of aquaculture, fishing and recreational boating industries (RDAWEP 3.7.1)	Participate in Marine Parks decision making process, including liaison with agencies and impacted business	Complete	Council to maintain involvement where required
		Support the initiatives of Regional Development Australia Whyalla & Eyre Peninsula for the protection and expansion of agriculture, fishing and aquaculture industries	Initiatives of RDAWEP to be considered and supported as warranted	Compliant	Ongoing
5.1.1	In conjunction with Regional Development Australia & the Eyre Peninsula Local Government Association actively promote support and encourage sustainable economic development, investment and business opportunities to the area	Assist in the promotion of regional development in Council area with government, business and regional bodies	Regional development to be promoted in Council area	Compliant	Ongoing
5.1.2	Represent the aspirations of residents, community groups and business to other levels of government and the region and advocate on their behalf	Act as a lobbyist with other levels of government	Council to lobby on behalf of community groups and business where warranted	Compliant	Ongoing

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

No.	Strategy (As Per Strategic Plan)	Action (As Per Strategic Plan)	2012/13 Annual Business Plan target/s	Progress to 30/6/13	Future Projections / Projects
5.2.1	Develop partnerships and support the work of other stakeholders in the community, including Regional Development Australia Whyalla and Eyre Peninsula government agencies, schools and health services to further Council's goals for the community	Membership of Regional Development Australia Whyalla and Eyre Peninsula	\$22,000 financial support provided to RDAWEP	Compliant Membership retained with RDAWEP	Budget allocation provided annually
		Active participation in the Eyre Peninsula Local Government Association	Regular attendance at EPLGA meetings and events to continue	Compliant Mayor Low chairperson of EPLGA and CEO attended all meetings in 2011/12	Ongoing
		Pursue opportunities to work with government agencies, schools and health providers to provide improved community services	Lobby for retention and improvement of health services across the district Council to pursue establishment of Coffin Bay Medical Clinic	Compliant Land provided for facility and draft lease provided to developers	Council to maintain involvement as required
5.2.2	Improve collaboration with adjacent Councils and other authorities to reduce duplication of administrative and other costs as a cost saving measure or to provide an increased level of service	Actively pursue Shared Services opportunities in conjunction with the District Council of Tumby Bay and the City of Port Lincoln	Shared services sub - regional plan to continue to be developed	Compliant Council budget allocation for shared services project	Ongoing

SOUTHERN EYRE PENINSULA SUBSIDIARY

Council continues to participate in the Southern Eyre Peninsula Subsidiary as a Regional Subsidiary in conjunction with the District Council of Tumby Bay. The subsidiary provides the mechanism by which the two Councils jointly own one bulldozer and low loader for shared use.

This innovative resource sharing venture has enabled both Councils to have the use of specialised equipment, while at the same time ensuring optimum usage of the equipment. The result of this partnership continues to provide savings in the ownership costs of a high capital cost machine.

A copy of the Annual Report and audited financial statements for the Southern Eyre Peninsula Subsidiary for 2012/13 has been included in this report as **Appendix “C”**.

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

Council also continues to participate in the Eyre Peninsula Local Government Association in conjunction with other Eyre Peninsula Councils. This Association is constituted as a Regional Subsidiary pursuant to Section 43 of the Local Government Act.

A copy of the Eyre Peninsula Local Government Association Annual Report and audited financial statements for 2012/13, have been included in this report as **Appendix “D”**.

APPENDIX A – COUNCIL FINANCIAL STATEMENTS

APPENDIX ‘A’

COUNCIL FINANCIAL STATEMENTS

DISTRICT COUNCIL OF
LOWER EYRE PENINSULA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2013

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

General Purpose Financial Reports for the year ended 30 June 2013

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DISTRICT COUNCIL OF LOWER EYRE PENINSULA

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2013

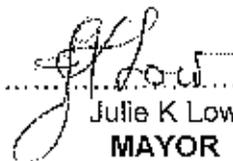
CERTIFICATION OF FINANCIAL STATEMENTS

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 2013 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.



.....
Rodney W Pearson
CHIEF EXECUTIVE OFFICER



.....
Julie K Low
MAYOR

Date:

15/11/2013

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2013

	Notes	2013 \$	2012 \$
INCOME			
Rates	2	5,343,235	5,101,797
Statutory charges	2	158,496	137,958
User charges	2	1,855,030	1,703,745
Grants, subsidies and contributions	2	1,670,075	1,247,339
Investment income	2	108,116	244,958
Reimbursements	2	695,193	75,736
Other income	2	132,868	20,451
Net gain - equity accounted Council businesses	19		15,129
Total Income		<u>9,963,013</u>	<u>8,547,113</u>
EXPENSES			
Employee costs	3	2,226,079	1,891,635
Materials, contracts & other expenses	3	4,478,592	3,571,724
Depreciation, amortisation & impairment	3	2,648,590	2,643,814
Finance costs	3	252,423	169,857
Net loss - equity accounted Council businesses	19	13,100	
Total Expenses		<u>9,618,784</u>	<u>8,277,030</u>
OPERATING SURPLUS / (DEFICIT)		344,229	270,083
Asset disposal & fair value adjustments	4	50,293	28,492
Amounts received specifically for new or upgraded assets	2	4,751,299	2,206,700
NET SURPLUS / (DEFICIT)		5,145,821	2,505,275
transferred to Equity Statement			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	-	25,648,352
Total Other Comprehensive Income		-	25,648,352
TOTAL COMPREHENSIVE INCOME		<u>5,145,821</u>	<u>28,153,627</u>

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

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

BALANCE SHEET

as at 30 June 2013

ASSETS	Notes	2013 \$	2012 \$
Current Assets			
Cash and cash equivalents	5	1,479,187	5,581,739
Trade & other receivables	5	2,141,639	1,012,715
Inventories	5	63,282	70,645
		<u>3,684,108</u>	<u>6,665,099</u>
Total Current Assets		<u>3,684,108</u>	<u>6,665,099</u>
Non-current Assets			
Financial assets	6	97,644	103,795
Equity accounted investments in Council businesses	6	305,180	340,567
Infrastructure, property, plant & equipment	7	<u>99,672,478</u>	<u>88,550,504</u>
Total Non-current Assets		<u>100,075,302</u>	<u>88,994,866</u>
Total Assets		<u>103,759,410</u>	<u>95,659,965</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	8	1,509,604	2,070,751
Borrowings	8	964,423	452,336
Provisions	8	268,974	220,439
		<u>2,743,001</u>	<u>2,743,526</u>
Total Current Liabilities		<u>2,743,001</u>	<u>2,743,526</u>
Non-current Liabilities			
Borrowings	8	5,587,368	2,604,791
Provisions	8	57,741	86,169
Total Non-current Liabilities		<u>5,645,109</u>	<u>2,690,960</u>
Total Liabilities		<u>8,388,110</u>	<u>5,434,486</u>
NET ASSETS		<u>95,371,300</u>	<u>90,225,479</u>
EQUITY			
Accumulated Surplus		30,599,373	25,453,552
Asset Revaluation Reserves	9	<u>64,771,927</u>	<u>64,771,927</u>
TOTAL EQUITY		<u>95,371,300</u>	<u>90,225,479</u>

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

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

2013	Notes	Accumulated Surplus \$	Assof Revaluation Reserve \$	TOTAL EQUITY \$
Balance at end of previous reporting period		25,453,552	64,771,927	90,225,479
Restated opening balance		25,453,552	64,771,927	90,225,479
Net Surplus / (Deficit) for Year		5,145,821		5,145,821
Balance at end of period		30,599,373	64,771,927	95,371,300
2012				
Balance at end of previous reporting period		22,948,277	39,123,575	62,071,852
Restated opening balance		22,948,277	39,123,575	62,071,852
Net Surplus / (Deficit) for Year		2,505,275		2,505,275
Changes in revaluation surplus - infrastructure, property, plant & equipment			25,648,352	25,648,352
Balance at end of period		25,453,552	64,771,927	90,225,479

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

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

CASH FLOW STATEMENT

for the year ended 30 June 2013

	Notes	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		5,334,478	5,110,481
Fees & other charges		164,836	143,476
User charges		1,061,282	1,730,757
Investment receipts		5,178	268,682
Grants utilised for operating purposes		1,786,980	1,297,233
Reimbursements		764,712	83,455
Other revenues		462,846	545,995
<u>Payments</u>			
Employee costs		(1,955,329)	(1,791,809)
Materials, contracts & other expenses		(5,890,280)	(4,235,851)
Finance payments		(388,195)	(189,857)
Net Cash provided by (or used in) Operating Activities		1,346,508	2,982,762
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		4,751,299	2,206,700
Sale of replaced assets		178,640	204,773
Repayments of loans by community groups		17,961	17,488
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(1,188,950)	(1,569,644)
Expenditure on new/upgraded assets		(12,709,961)	(2,966,221)
Loans made to community groups		(15,000)	
Capital contributed to equity accounted Council businesses		22,287	22,286
Net Cash provided by (or used in) Investing Activities		(8,943,724)	(2,084,818)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from borrowings		3,947,000	901,000
Proceeds from aged care facility deposits		-	
<u>Payments</u>			
Repayments of borrowings		(452,336)	(369,479)
Repayment of finance lease liabilities		-	
Repayment of aged care facility deposits		-	
Net Cash provided by (or used in) Financing Activities		3,494,664	531,521
Net Increase (Decrease) in cash held		(4,102,552)	1,429,665
Cash & cash equivalents at beginning of period	11	5,581,739	4,152,074
Cash & cash equivalents at end of period	11	1,479,187	5,581,739

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

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards 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 November 2013.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar.

2 The Local Government Reporting Entity

District Council of Lower Eyre Peninsula is incorporated under the SA Local Government Act 1999 and has its principal place of business at 32 Railway Terrace, Cummins, SA, 5631. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

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

3 Income recognition

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

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

District Council of Lower Eyre Peninsula

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

Note 1 - Significant Accounting Policies (cont)

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 \$207,322 was paid in advance; in June 2012, two quarters of the 2012/13 allocation: \$441,000; and in June 2013, again two quarters of the 2013/14 allocation: \$459,386. Accordingly, in the reporting period ended 30 June 2012, Council's operating surplus was effectively understated by \$207,322.

It is anticipated that these amounts in advance will be adjusted at some future time, but details of the timing of this are not currently available. The total amounts to be adjusted at 30 June 2013 is \$441,000 (\$2012, \$207,322).

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

3.1 Construction Contracts

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

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

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

5.1 Real Estate Assets Developments

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

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

5.2 Other Real Estate held for resale

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

District Council of Lower Eyre Peninsula

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

Note 1 - Significant Accounting Policies (cont)

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

6 Infrastructure, Property, Plant & Equipment

6.1 Land under roads

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

6.2 Initial Recognition

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

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

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

6.3 Materiality

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

6.4 Subsequent Recognition

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

6.5 Depreciation of Non-Current Assets

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

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

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

District Council of Lower Eyre Peninsula

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

Note 1 - Significant Accounting Policies (cont)

6.6 Impairment

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

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

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

6.7 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Borrowings

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

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

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

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

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.

District Council of Lower Eyre Peninsula

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

Note 1 - Significant Accounting Policies (cont)

9.2 Superannuation

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

10 Provision for Carbon Taxation

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

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

11 Leases

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

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

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

12 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.

13 GST Implications

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

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

District Council of Lower Eyre Peninsula

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

Note 1 - Significant Accounting Policies (cont)

14 Pending Accounting Standards

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

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

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

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

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

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

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 2 - INCOME

	Notes	2013 \$	2012 \$
RATES REVENUES			
<u>General Rates</u>		4,533,071	4,208,393
Less: Mandatory rebates		(55,252)	(52,468)
		4,477,819	4,155,925
<u>Other Rates (including service charges)</u>			
Natural Resource Management levy		213,398	203,480
Community wastewater management systems		627,587	715,817
		840,985	919,297
<u>Other Charges</u>			
Penalties for late payment		24,431	26,575
		24,431	26,575
		5,343,235	5,101,797
 STATUTORY CHARGES			
Development Act fees		34,506	30,975
Town planning fees		70,875	61,791
Animal registration fees & fines		22,877	22,395
Parking fines / expiation fees		345	
Sundry		29,893	22,797
		158,496	137,958
 USER CHARGES			
Cemetery/crematoria fees		12,004	6,619
Passenger Levy		1,384,422	1,276,057
Landing Fees		76,637	74,472
Property Rentals		241,973	244,908
Sundry		139,994	101,689
		1,855,030	1,703,745
 INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		90,112	150,381
Banks & other		7,620	86,038
Loans to community groups		10,384	8,539
		108,116	244,958

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

NOTE 2 - INCOME (continued)

	Notes	2013 \$	2012 \$
REIMBURSEMENTS			
- for roadworks			6,500
- for private works		66,288	17,312
- other		<u>628,905</u>	<u>51,924</u>
		<u>695,193</u>	<u>75,736</u>
 OTHER INCOME			
Sundry		<u>132,868</u>	<u>20,451</u>
		<u>132,868</u>	<u>20,451</u>
 GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		4,751,299	2,206,700
Other grants, subsidies and contributions		1,670,075	1,026,839
Individually significant item - additional Grants Commission Payment			220,500
		<u>6,421,374</u>	<u>3,454,039</u>
 <i>The functions to which these grants relate are shown in Note 2.</i>			
 Sources of grants			
Commonwealth government		3,413,091	1,348,872
State government		3,008,283	1,884,667
Other		0	220,500
		<u>6,421,374</u>	<u>3,454,039</u>

Individually Significant Item

Although it is possible to have an *individually significant item* in relation to revenue, the wording previously included in relation to FAGs grants is superfluous if disclosure is made in Note 1.

	0	220,500
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Any other *individually significant item* in relation to revenue must be fully described.

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

NOTE 2 - INCOME (continued)

	2013	2012
Notes	\$	\$
Conditions over grants & contributions		
<i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i>		
<i>Unexpended at the close of the previous reporting period</i>	1,019,339	584,632
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>		
<i>Tulka CWMS Capital Upgrade</i>		(484,500)
<i>Camping Grounds (Louth Bay Caravan Park)</i>		(15,000)
<i>Tulka CWMS Property Owner Contributions</i>		(47,206)
<i>Cummins CWMS Security Deposit</i>		(31,387)
<i>Port Lincoln Airport - SATC Grant</i>	(340,000)	
<i>Port Lincoln Airport - RDAF Grant</i>	(675,000)	
<i>Aged & Disabled (Early Intervention Centre)</i>		(2,200)
<i>Subtotal</i>	(1,015,000)	(580,293)
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
<i>Cummins Homes Capital Grant</i>	19,400	
<i>Port Lincoln Airport - SATC Grant</i>		340,000
<i>Port Lincoln Airport - RDAF Grant</i>		675,000
<i>Subtotal</i>	19,400	1,015,000
<i>Unexpended at the close of this reporting period</i>	23,739	1,019,339
<i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>	(995,600)	434,707

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 3 - EXPENSES

	Notes	2013 \$	2012 \$
EMPLOYEE COSTS			
Salaries and Wages		2,060,319	1,778,248
Employee leave expense		288,525	275,710
Superannuation - defined contribution plan contributions	18	151,947	126,642
Superannuation - defined benefit plan contributions	18	61,563	62,676
Workers' Compensation Insurance		75,366	80,747
Less: Capitalised and distributed costs		<u>(411,641)</u>	<u>(432,388)</u>
Total Operating Employee Costs		<u>2,226,079</u>	<u>1,891,635</u>
Total Number of Employees		38	35
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		9,060	9,000
Bad and Doubtful Debts		670	
Elected members' expenses		<u>132,604</u>	117,387
Subtotal - Prescribed Expenses		<u>142,334</u>	<u>126,387</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		2,268,700	1,635,219
Consultants		175,485	173,833
Energy		236,599	176,524
Fuel / Lubricants		250,389	234,804
Bank Charges		13,808	15,477
Water		7,269	1,818
Insurance		149,656	127,534
Contributions		93,458	88,897
Advertising		17,227	17,218
Telecommunications		34,690	34,032
Plant & Machinery		(231,996)	(231,603)
Asset Purchases		52,127	102,838
Levies paid to government - NRM levy		213,141	205,080
Parts, accessories & consumables		467,223	373,795
Sundry		752,858	595,422
Less : Capitalised & distributed costs		<u>(164,376)</u>	<u>(105,551)</u>
Subtotal - Other Materials, Contracts & Expenses		<u>4,336,258</u>	<u>3,445,337</u>
		<u>4,478,592</u>	<u>3,571,724</u>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 3 - EXPENSES (cont)

	Notes	2013 \$	2012 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		332,031	316,834
Infrastructure			1,859,857
- CWMS Schemes		219,246	277,784
- Recreation & Culture		6,912	
- Sealed Roads		669,311	
- Formed & Surfaced Roads		760,735	
- Port Lincoln Airport		237,971	
- Aerodomes		7,615	
- Boat Ramps		29,339	
- Footpaths		17,132	
- Stormwater		36,612	
- Economic Affairs		8,036	
- Bridges		4,667	
- Foreshore		2,770	
Plant & Equipment		103,764	
Furniture & Fittings		14,492	14,492
Machinery		220,847	400,802
		<u>2,671,480</u>	<u>2,669,569</u>
Less: Capitalised and distributed costs		<u>(22,890)</u>	<u>(25,755)</u>
		<u>2,648,590</u>	<u>2,643,814</u>
FINANCE COSTS			
Interest on overdraft and short-term drawdown			127
Interest on Loans		252,423	169,730
		<u>252,423</u>	<u>169,857</u>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2013 \$	2012 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		178,640	204,773
Less: Carrying amount of assets sold		<u>128,347</u>	<u>176,281</u>
Gain (Loss) on disposal		<u>50,293</u>	<u>28,492</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		<u>50,293</u>	<u>28,492</u>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 5 - CURRENT ASSETS

	2013	2012
CASH & EQUIVALENT ASSETS		
	Notes	
	\$	\$
Cash on Hand and at Bank	759,153	19,885
Deposits at Call	<u>720,034</u>	<u>5,561,854</u>
	<u>1,479,187</u>	<u>5,581,739</u>
TRADE & OTHER RECEIVABLES		
Rates - General & Other	196,908	188,151
Accrued Revenues	324,445	221,507
Debtors - general	1,362,801	406,738
GST Recoupment	241,334	183,358
Loans to community organisations	21,151	17,961
Total	2,146,639	1,017,715
Less: Allowance for Doubtful Debts	5,000	5,000
	<u>2,141,639</u>	<u>1,012,715</u>
INVENTORIES		
Stores & Materials	63,282	70,645
	<u>63,282</u>	<u>70,645</u>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 6 - NON-CURRENT ASSETS

FINANCIAL ASSETS		2013	2012
	Notes	\$	\$
Receivables			
Loans to community organisations		<u>97,644</u>	<u>103,795</u>
TOTAL FINANCIAL ASSETS		<u>97,644</u>	<u>103,795</u>
EQUITY ACCOUNTED INVESTMENTS IN COUNCIL BUSINESSES			
<i>Southern Eyre Peninsula Subsidiary</i>	19	<u>305,180</u>	<u>340,567</u>
		<u>305,180</u>	<u>340,567</u>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2012			2013				
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
	\$	\$	\$	\$	\$	\$	\$	\$
Land	12,157,293	-	-	12,157,293	12,801,426	-	12,801,426	12,801,426
Buildings & Other Structures	16,050,197	1,386,525	(8,716,245)	8,720,477	15,451,098	9,992,393	16,395,215	16,395,215
Infrastructure	-	-	-	-	-	-	-	-
- CWMS Schemes	12,242,063	1,014,342	(3,196,831)	10,059,574	12,242,063	1,135,769	9,961,755	9,961,755
- Recreation & Culture	1,179,556	115,718	(124,416)	1,170,858	172,800	1,144,386	1,186,858	1,186,858
- Sealed Roads	32,534,500	382,084	(8,600,013)	24,316,571	32,534,500	1,074,764	24,339,940	24,339,940
- Formed & Surfaced Roads	20,745,421	733,205	(4,366,420)	17,112,206	20,745,420	1,510,687	17,128,953	17,128,953
- Port Lincoln Airport	13,076,338	137,881	(5,186,282)	8,027,937	13,076,338	3,055,305	10,707,390	10,707,390
- Aerodomes	218,886	-	(104,195)	114,691	218,885	-	107,076	107,076
- Boat Ramps	1,249,454	-	(215,392)	1,034,062	1,249,454	-	1,004,723	1,004,723
- Footpaths	592,975	-	(238,339)	353,636	592,975	92,274	428,778	428,778
- Stormwater	2,743,375	1,863	(1,072,406)	1,672,832	2,743,374	1,663	1,636,020	1,636,020
- Economic Affairs	292,114	-	(158,956)	133,158	292,114	-	125,122	125,122
- Bridges	350,000	-	(238,001)	111,999	349,999	-	107,332	107,332
- Foreshore	42,744	213,925	(5,086)	251,574	24,001	247,501	263,636	263,636
- Sanitation & Garbage	352,062	1,734	-	353,796	353,796	-	353,796	353,796
Plant & Equipment	-	779,704	-	779,704	371,792	867,516	893,456	893,456
Furniture & Fittings	-	35,450	-	35,450	192,201	-	20,958	20,958
Machinery	3,389,000	640,859	(1,884,973)	2,144,886	3,301,652	1,015,211	2,211,044	2,211,044
TOTAL PROPERTY, PLANT & EQUIPMENT	117,215,978	5,443,090	(34,108,564)	88,550,504	116,713,888	20,137,469	99,672,478	99,672,478
Comparatives	72,083,081	13,833,783	(25,807,636)	60,109,228	117,215,978	5,443,090	88,550,504	88,550,504

This Note continues on the following pages.

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	CARRYING AMOUNT MOVEMENTS DURING YEAR										2013 \$
	\$										
	2012 CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation			
	New/Upgrade	Renewals									
Land	12,157,293	685,133	-	(41,000)	-	-	-	-	-	-	12,801,426
Buildings & Other Structures Infrastructure	8,720,477	7,311,145	695,624	-	(932,031)	-	-	-	-	-	16,395,215
- CWMS Schemes	10,059,574	93,683	27,744	-	(219,246)	-	-	-	-	-	9,981,755
- Recreation & Culture	1,170,858	21,912	-	-	(6,912)	-	-	-	-	-	1,185,858
- Sealed Roads	24,316,571	692,680	-	-	(669,311)	-	-	-	-	-	24,339,940
- Formed & Surfaced Roads	17,112,205	-	777,482	-	(760,735)	-	-	-	-	-	17,128,953
- Port Lincoln Airport	8,027,937	2,917,424	-	-	(237,971)	-	-	-	-	-	10,707,390
- Aerodomes	114,691	-	-	-	(7,615)	-	-	-	-	-	107,076
- Boat Ramps	1,034,062	-	-	-	(29,339)	-	-	-	-	-	1,004,723
- Footpaths	353,636	92,274	-	-	(17,132)	-	-	-	-	-	428,778
- Stormwater	1,872,632	-	-	-	(36,612)	-	-	-	-	-	1,836,020
- Economic Affairs	133,158	-	-	-	(8,036)	-	-	-	-	-	125,122
- Bridges	111,989	-	-	-	(4,667)	-	-	-	-	-	107,332
- Foreshore	251,574	14,832	-	-	(2,770)	-	-	-	-	-	263,636
- Sanitation & Garbage	353,795	-	-	-	-	-	-	-	-	-	353,795
Plant & Equipment	779,704	217,516	-	-	(103,784)	-	-	-	-	-	893,456
Furniture & Fittings	35,450	-	-	-	(14,492)	-	-	-	-	-	20,958
Machinery	2,144,886	374,352	-	(87,347)	(220,847)	-	-	-	-	-	2,211,044
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	88,550,504	12,420,951	1,500,850	(128,347)	(2,871,480)	-	-	-	-	-	98,672,478
Comparatives	60,109,228	3,681,021	1,957,754	(176,282)	(2,466,958)	(202,611)	-	-	-	25,648,352	86,550,504

This Note continues on the following pages.

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

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

Valuation of Assets

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB1.19 to retain a previously established deemed cost under GAAP as its deemed cost for the purposes of AIFRS.

Plant, Furniture & Equipment

Plant Furniture & Equipment are recognised on the cost basis, originally derived from a valuation at 1 July 2011 by Council staff at current replacement cost. Additions are recognised at cost.

Land

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

Buildings & Other Structures

Buildings and other structures are recognised on the cost basis, originally derived from a valuation at 1 July 2011 by Maloney Field Services at current replacement cost. Additions are recognised at cost.

Infrastructure

Infrastructure is recognised on the cost basis, originally derived from a valuation at 1 July 2011 by Council staff at current replacement cost. Additions are recognised at cost. Rick Gayler from Gayler Professional Engineering will provide a report to Council to quantify staff assumptions.

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.

All assets	\$10,000
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DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 8 - LIABILITIES

	Notes	2013		2012	
		\$		\$	
TRADE & OTHER PAYABLES		Current	Non-current	Current	Non-current
Goods & Services		593,622		1,252,156	
Payments received in advance		1,279		1,278	
Accrued expenses - employee entitlements		591,775		341,132	
Accrued expenses - other		282,002		417,774	
Deposits, Retentions & Bonds		40,926		58,410	
		<u>1,509,604</u>	-	<u>2,070,751</u>	-
BORROWINGS					
Loans		<u>964,423</u>	<u>5,587,368</u>	<u>452,336</u>	<u>2,604,791</u>
		964,423	5,587,368	452,336	2,604,791
<i>All interest bearing liabilities are secured over the future revenues of the Council.</i>					
PROVISIONS					
Employee entitlements (including oncosts)		<u>268,974</u>	<u>57,741</u>	<u>220,439</u>	<u>86,169</u>
		268,974	57,741	220,439	86,169
<i>Amounts included in provisions that are not expected to be settled within 12 months of reporting date.</i>		263,974		215,439	

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2012	Net Increments (Decrements)	Transfers, Impairments	30/6/2013
Notes	\$	\$	\$	\$
Land	13,083,339			13,083,339
Buildings & Other Structures	3,386,960			3,386,960
Furniture & Fittings	1,125			1,125
Plant & Equipment	342,809			342,809
Infrastructure	47,957,694			47,957,694
TOTAL	64,771,927			64,771,927
<i>Cooperatives</i>	39,123,575	25,648,352		64,771,927

DISTRICT COUNCIL OF LOWER EYRE PENINSULA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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

CASH & FINANCIAL ASSETS	Notes	2013 \$	2012 \$
Unexpended amounts received from Federal Government			
Open Space Reserve Contributions		4,697	4,339
Port Lincoln Airport - SATC Grant			340,000
Port Lincoln Airport - RDAF Grant			675,000
		<u>4,697</u>	<u>1,019,339</u>
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		<u>4,697</u>	<u>1,019,339</u>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2013 \$	2012 \$
Total cash & equivalent assets	5	<u>1,479,187</u>	<u>5,581,739</u>
Balances per Cash Flow Statement		<u>1,479,187</u>	<u>5,581,739</u>

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

Net Surplus (Deficit)	5,145,821	2,505,275
Non-cash items in Income Statement		
Depreciation, amortisation & Impairment	2,648,590	2,643,814
Equity movements in equity accounted investments (increase) decrease	13,100	(15,129)
Net increase (decrease) in unpaid employee benefits	270,750	100,026
Grants for capital acquisitions treated as Investing Activity	(4,751,299)	(2,206,700)
Net (Gain) Loss on Disposals	<u>(50,293)</u>	<u>(28,492)</u>
	3,278,669	2,998,794
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(1,125,734)	(260,855)
Net (increase) decrease in inventories	7,363	2,276
Net (increase) decrease in other current assets	-	-
Net increase (decrease) in trade & other payables	<u>(811,790)</u>	<u>242,547</u>
Net Cash provided by (or used in) operations	<u>1,346,508</u>	<u>2,982,762</u>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES										
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2013	2012	2013	2012
	2013	2012	2013	2012	2013	2012	\$	\$	\$	\$
Administrator	5,362,280	5,117,115	1,204,725	1,155,608	4,157,555	3,961,507	-	-	7,359,163	7,302,006
Public Order & Safety										
Fire Protection	22,593	1,360	229,307	76,289	(206,714)	(74,829)	20,912	2,528	202,397	207,643
Other	133,283	22,990	42,748	51,687	90,535	(28,697)	-	-	104,221	107,776
Health										
Health Inspection			4,565	4,355	(4,565)	(4,355)	2,693	-	235,000	235,000
Other Health	2,693	2,528	4,814	5,049	(2,121)	(2,521)	-	-	-	-
Social Security & Welfare										
Aged & Disabled Services	12,325	15,000	34,176	4,557	(21,851)	10,443	12,325	15,000	267,339	267,339
Families & Children	6,359	7,000	9,565	5,163	(3,206)	1,837	6,359	7,000	-	-
Other Social Security & Welfare										
Housing & Comm. Amenities										
Housing	83,722	77,989	84,706	90,244	(986)	(2,255)	19,400	-	1,179,300	1,150,781
Town Planning			303,724	279,496	(303,724)	(279,496)	-	-	-	-
Community Development			47,269	55,042	(47,269)	(55,042)	-	-	-	-
Sanitation & Garbage	79,363	62,149	636,195	879,996	(756,832)	(617,847)	8,480	390,000	683,020	689,065
Effluent	17,034	14,820	675,131	456,108	(658,097)	(441,286)	-	-	9,497,386	10,295,079
Urban Stormwater Drainage			74,344	65,546	(74,344)	(65,546)	-	-	1,635,019	1,672,531
Other Community Amenities	31,747	23,746	400,262	279,477	(368,515)	(255,734)	-	-	585,061	603,623
Protection of the Environment	2,997	2,865	228,365	217,080	(225,368)	(214,215)	-	151,700	263,836	251,774
Recreation & Culture										
Libraries	6,724	6,478	49,027	47,340	(42,303)	(40,632)	2,034	1,966	-	-
Other Cultural Services			3,203	2,991	(3,203)	(2,991)	-	-	-	-
Sport & Recreation			338,694	305,721	(338,694)	(305,721)	7,824	6,970	6,667,613	6,674,525
Fire & Energy										
Agricultural Services	7,824	6,670	11,510	12,162	(3,686)	(5,492)	-	-	-	-

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Administration: General operations, council operation, elections, council offices, rates, general grants.

Public Order & Safety: Fire protection, dog control, state emergency service.

Health: Health inspection, immunisation, St. John Brigades.

Social Security & Welfare: Aged and disabled services, community welfare, rural counseling service.

Housing & Community Amenities: Housing, town planning, community development, sanitation and garbage, sewerage/effluent, urban storm water drainage, aged and disabled homes, regional development board, street cleaning, cemeteries, public conveniences.

Protection of the Environment N.E.C.: Foreshore protection, flood prevention, noise control.

Recreation & Culture: Libraries, cultural services, sport and recreation, reserves, swimming pools, halls.

Fuel and Energy:

Agricultural Services: Pest plants, pest animals.

Mining, Manufacturing & Construction: Building Act.

Transport & Communication: Road construction and maintenance, footpaths, bridges, street furniture, aerodromes, boat ramps, jetties.

Economic Affairs: Tourism, Caravan Parks, rental properties.

Other Purposes N.E.C.: Public debt transactions, plant operations, and other.

DISTRICT COUNCIL OF LOWER EYRE PENINSULA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

Note 13 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning variable interest rates between 1% and 2.5% (2012: 1.5% and 3.75%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated Charges (including legal & penalties for late payment) Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land, appears attract interest of 11.25% (2012: 11.25%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other debts of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Receivables - Retirement Home Contributions	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accounts	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Retirement Home Contributions	<p>Accounting Policy: To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p>Terms & conditions: Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as proscribed by the legislation, the balance being repaid on termination of tenancy.</p> <p>Carrying amount: approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable twice per year; interest is charged at fixed rates between 5.05% and 8.05% (2012: 5.05% and 8.05%)</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 117.</p>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2013	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
Financial Assets					
Cash & Equivalents	1,479,187			1,479,187	1,479,187
Receivables	2,047,375			2,047,375	2,047,375
Other Financial Assets	21,151	82,344	15,300	118,796	-
Total	3,547,713	82,344	15,300	3,645,357	3,526,562
Financial Liabilities					
Payables	835,827			835,827	835,827
Current Borrowings	964,423			964,423	964,423
Non-Current Borrowings		4,317,924	1,289,444	5,597,368	5,687,368
Total	1,600,250	4,317,924	1,289,444	7,187,618	7,187,618
2012					
2012	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
Financial Assets					
Cash & Equivalents	5,581,739			5,581,739	6,581,739
Receivables	888,061			888,061	888,061
Other Financial Assets	17,961	58,384	27,500	103,795	103,795
Total	6,497,794	58,384	27,500	6,583,628	6,613,893
Financial Liabilities					
Payables	1,311,846			1,311,846	1,311,846
Current Borrowings	452,338			452,338	452,338
Non-Current Borrowings		1,803,874	800,917	2,604,791	2,604,791
Total	1,764,181	1,803,874	800,917	4,368,972	4,368,972

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

	30 June 2013		30 June 2012	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Other Variable Rates		635,827		1,311,846
Fixed Interest Rates	5.88	8,651,791	6.4	3,067,127
		<u>7,107,618</u>		<u>4,368,972</u>

Net Fair Value

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

Risk Exposures

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

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

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

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

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 14 - COMMITMENTS FOR EXPENDITURE

	2013	2012
Notes	\$	\$
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Infrastructure	1,643,000	4,454,100
Buildings	57,000	8,923,000
Plant & Equipment	-	350,000
	1,700,000	13,727,100
These expenditures are payable:		
Not later than one year	1,012,000	13,344,100
Later than one year and not later than 5 years	688,000	383,000
	1,700,000	13,727,100
Other Expenditure Commitments		
Other non-capital expenditure commitments		
Civica - Computer Support (Expires 2014)	145,500	252,000
Waste Management Services (Expires 2018)	2,855,000	3,428,000
Employee Remuneration Contracts (Various)	2,663,594	730,089
Auditor (Expires 2015)	18,000	27,000
Street Sweeping (Expires 2014)	26,400	52,800
	5,708,494	4,487,889
Not later than one year	1,499,869	1,121,525
Later than one year and not later than 5 years	4,208,625	2,795,364
Later than 5 years	-	571,000
	5,708,494	4,487,889

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 15 - FINANCIAL INDICATORS

2013 2012 2011

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

Operating Surplus Ratio

<u>Operating Surplus</u>	7%	6%	32%
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

	7%	1%	32%
--	----	----	-----

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	48%	-15%	-19%
Total Operating Revenue less NRM levy			

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

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	38%	52%	86%
Infrastructure & Asset Management Plan required expenditure	*	*	*

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

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

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2013 \$	2012 \$
Income	9,963,013	8,547,113
<i>less</i> Expenses	<u>9,618,784</u>	<u>8,277,030</u>
Operating Surplus / (Deficit)	344,229	270,083
<i>less</i> Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	1,188,950	1,569,644
<i>less</i> Depreciation, Amortisation and Impairment	2,648,590	2,643,814
<i>less</i> Proceeds from Sale of Replaced Assets	<u>176,640</u>	<u>204,773</u>
	(1,638,280)	(1,278,943)
<i>less</i> Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	12,709,961	2,966,221
<i>less</i> Amounts received specifically for New and Upgraded Assets	4,751,299	2,206,700
	<u>7,958,662</u>	<u>759,521</u>
Net Lending / (Borrowing) for Financial Year	<u>(5,976,153)</u>	<u>789,505</u>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 17 - OPERATING LEASES

Leases providing revenue to the Council

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

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:

	2013	2012
	\$	\$
Not later than one year	101,100	138,253
Later than one year and not later than 5 years	486,500	370,586
	<u>587,600</u>	<u>508,839</u>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

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 with Salarylink benefits prior to 24 November 2009 have the option to contribute to Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2012/13; 9% in 2011/12). No further liability accrues to the 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 appointed Actuary. The rate is currently 6.3% (6.3% in 2011/12) 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.

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

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.

Southern Eyre Peninsula Subsidiary

Established by the District Council of Lower Eyre Peninsula and the District Council of Tumby Bay this subsidiary is responsible for shared machinery.

	2013	2012
Southern Eyre Peninsula Subsidiary	\$	\$
Council's respective interests are:		
- interest in the operating result	50%	50%
- ownership share of equity	50%	50%
- the proportion of voting power	50%	50%
<u>Movements in Investment in Joint Operation</u>	\$	\$
Opening Balance	340,567	347,724
New Capital Contributions	(22,287)	(22,286)
Share in Operating Result	(13,100)	15,129
Share in Equity of Joint Operation	<u>305,180</u>	<u>340,567</u>

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

Note 21 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET

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

LAND UNDER ROADS

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

At reporting date, Council controlled 1,366 km of road reserves of average width 20 metres.

BANK GUARANTEES

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$118,795 (2012: \$121,756) at reporting date.

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



**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE
DISTRICT COUNCIL OF LOWER EYRE PENINSULA**

We have audited the accompanying financial report of the District Council of Lower Eyre Peninsula which comprises the balance sheet as at 30 June 2013 and the statement of comprehensive income, statement of changes in equity, cash flow statement, summary of significant accounting policies, other explanatory notes and the certification of financial statement for the year ended 30 June 2013.

Chief Executive Officer's Responsibility for the Financial Report

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have 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 whether the financial report is free from material misstatement.

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

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

Independence

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

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the District Council of Lower Eyre Peninsula as of 30 June 2013, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011.

A handwritten signature in cursive script, appearing to read 'Ian G McDonald'.

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

Liability limited by a scheme approved under Professional Standards Legislation

Signed 22 day of November 2013, at Eastwood, South Australia

1st Floor,
206 Greenhill Road,
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PO Box 75
Henley Beach
SA 5022

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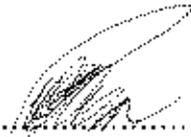
DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

CERTIFICATION OF AUDITOR INDEPENDENCE

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

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


.....
Rodney W Pearson
CHIEF EXECUTIVE OFFICER


.....
Mayor Julie K Low
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 11/11/2013

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

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

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of the District Council of Lower Eyre Peninsula for the year ended 30 June 2013, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



Ian G McDonald FCA

Dated this 3 day of September 2013

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APPENDIX B – POLICY DOCUMENTS

APPENDIX ‘B’

POLICY DOCUMENTS

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25. ADMINISTRATION

25.1 Public Relations & Media

- [25.01.01](#) Media Releases/ Public Information
- [25.01.02](#) Public Consultation
- [25.01.03](#) Community Reference Groups

25.2 Insurance / Liability

- [25.02.01](#) Certificates of Liability
- [25.02.02](#) Insurance - Assets & Risks
- [25.02.03](#) Legal Opinion - Authorisation
- [25.02.04](#) Litigation - Recovery of Costs

25.3 Whistle Blower

- [25.03.01](#) Whistle Blower

25.4 Policy

- [25.04.01](#) Process of Policy Making
- [25.04.02](#) Gifts, Benefits & Hospitality

25.5 Records Management

- [25.05.01](#) Records Management
- [25.05.02](#) Acknowledgement of Correspondence

25.6 Volunteers

- [25.06.01](#) Volunteer Policy

26. COUNCIL

26.1 Council Meetings

- [26.01.01](#) Council Meeting Agenda
- [26.01.02](#) Business – Inclusion on Agenda
- [26.01.03](#) Questions Relating to Agenda Items
- [26.01.04](#) Late Correspondence

26.2 Council Committees

- [26.02.01](#) Council Committees

26.3 Council Elections

- [26.03.01](#) Casual Vacancies
- [26.03.02](#) Voters Roll
- [26.03.03](#) Caretakers policy

26.4 Council Members

- [26.04.01](#) Certificate of Service
- [26.04.02](#) Council Members Allowances & Benefits
- [26.04.03](#) Mayor / Chairperson seeking legal advice
- [26.04.04](#) Council Induction
- [26.04.05](#) Council Member Conduct, Complaint Handling
- [26.04.06](#) Council Member Access to Information

26.5 Review of Council Actions

- [26.05.01](#) Review of Council Actions

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

27. EMPLOYEES

27.1 Employees

27.01.01	Telephone
27.01.02	Chief Executive Officer's Annual leave
27.01.03	Consultative Committee
27.01.04	Staff Recruitment & Selection
27.01.05	Grievance Procedure
27.01.06	Chief Executive Officer
27.01.07	Travel & Accommodation Expenses
27.01.08	Employee Induction

27.2 Appointments

27.02.01	Dog and Cat Management
27.02.02	Authorised Persons
27.02.03	Fire Prevention Officer
27.02.04	Public Health – Local Authorised Officer
27.02.05	Acting Works Manager
27.02.06	Authorised Officer – Development Act

28. TRAINING

28.1 Training

28.01.01	Training – Staff & Elected Members
28.01.02	Training – Elected Members

29. OCCUPATIONAL HEALTH SAFETY & WELFARE

29.1 OHS&W – Historical Policies

29.01.01	Occupational Health & Safety Responsibilities
29.01.03	Asbestos
29.01.04	Alcohol & Drugs in the Workplace
29.01.06	Manual Handling
29.01.07	Plant Management
29.01.08	Personal Protective Equipment
29.01.09	Plant Purchase, Hire & Lease
29.01.10	Isolated/Remote Work
29.01.11	Resolution of Occupational Health & Safety Issues
29.01.12	Electrical Safety
29.01.13	Non Smoking
29.01.14	Inclement Weather & Sun Protection
29.01.15	Work Health & Safety Committee
29.01.16	Immunisations
29.01.17	Inspection/Hazard Control System
29.01.18	Confined Spaces
29.01.19	Equal Opportunity, Discrimination, Harassment and Bullying

29.2 OHS&W and Injury Management – One System Policies & Procedures

29.02.01	OHS&W & IM
29.02.02	WHS Contractor Management
29.02.03	Administration of WHSMS
29.02.04	Communication and Consultation
29.02.05	Emergency Management
29.02.06	Hazard Management
29.02.07	Hazardous Work

30. HOUSING AND COMMUNITY AMENITIES

30.1 Cemeteries

[30.01.01](#) Coffin Bay Cemetery - Garden of Remembrance

30.2 Housing

[30.02.01](#) Cummins Homes – Tenancy

31. COMMUNITY AWARDS

31.1 Community Awards

[31.01.01](#) School Book Awards

[31.01.02](#) Australia Day Awards

[31.01.03](#) Tidy Towns - Philosophy and Beautification

32. TOURISM

32.1 Tourism

[32.01.01](#) Tourism Development

33. FINANCIAL MANAGEMENT

33.1 Treasury Management

[33.01.01](#) Internal Control Procedures

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**DISTRICT COUNCIL OF LOWER EYRE PENINSULA
ANNUAL REPORT 2012/13**

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16/11/12

*APPENDIX C – SOUTHERN EYRE PENINSULA SUBSIDIARY
ANNUAL REPORT & FINANCIAL STATEMENTS*

APPENDIX ‘C’

SOUTHERN EYRE PENINSULA SUBSIDIARY

ANNUAL REPORT AND FINANCIAL STATEMENTS



22 November 2013

CEO	✓
ACC	✓
DWI	
WM	
DM	
CSC	
EA	
AM	
FO	
WTO	
RO	
CDO	
GI	
DAO	
SEPs	✓

Mr Troy Smith
Treasurer
Southern Eyre Peninsula
PO Box 41
CUMMINS SA 5631

Dear Troy,

Please be advised that we have signed the audit report for the financial statements of your Subsidiary for the year ended 30 June 2013.

Enclosed are the signed audited Financial Statements for the year ended 30 June 2013.

Also enclosed is a copy of the report to the Chairperson.

If further information is required please do not hesitate to contact me.

Yours sincerely,

Ian Mc Donald

Enc.

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22 November 2013

Mr Paul B Pedler
Chairperson – Southern Eyre Peninsula Subsidiary
PO Box 41
CUMMINS SA 5631

Dear Mr Pedler,

Please be advised that we have now completed the external financial audit of your Subsidiary for the financial year ended 30 June 2013.

The audit opinion has been signed without qualification.

1. Report on Matters Arising from the Audit

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

We are satisfied with the action taken in relation to my audit communication during the year.

The Auditor's Independence Declaration has been provided to the Treasurer.

2. Adequacy of the Internal Control Environment

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

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

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

Yours sincerely

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

Ian Mc Donald

Liability limited by a scheme approved under Professional Standards Legislation

CC: Treasurer

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

PO Box 75
Henley Beach
SA 5022

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

Email: imd1962@bigpond.net.au

**SOUTHERN EYRE PENINSULA
SUBSIDIARY**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2013**

SOUTHERN EYRE PENINSULA SUBSIDIARY

General Purpose Financial Reports for the year ended 30 June 2013

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Audit Certificate of Audit Independence	

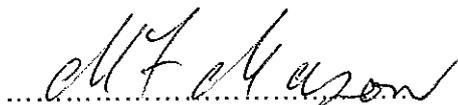
SOUTHERN EYRE PENINSULA SUBSIDIARY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2013

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern Eyre Peninsula Subsidiary 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 Southern Eyre Peninsula Subsidiary's financial position at 30 June 2013 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Southern Eyre Peninsula Subsidiary provide a reasonable assurance that the Southern Eyre Peninsula Subsidiary's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Southern Eyre Peninsula Subsidiary's accounting and other records.



Murray Mason
COMMITTEE MEMBER



Paul Pedler
CHAIRPERSON

Date:

SOUTHERN EYRE PENINSULA SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE, 2013

	Note	2013 \$	2012 \$
INCOME			
Rates			
Statutory Charges			
User Charges	2	72,095	156,405
Grants and Subsidies & Contributions	2	5,501	7,383
Investment Income	2	4,745	6,881
Reimbursements			
Other Revenues			
Share of Profit - Joint Ventures & Associates			
Total Revenues		<u>82,341</u>	<u>170,669</u>
EXPENSES			
Employee Costs			
Materials, contracts & other expenses	3	54,541	86,412
Finance Costs			
Depreciation, amortisation & impairment	3	54,000	54,000
Share of loss - joint ventures & associates			
Total Expenses		<u>108,541</u>	<u>140,412</u>
Operating Surplus (Deficit) before Capital Amounts		<u>-26,200</u>	<u>30,257</u>
Net Gain (loss) on disposal or revaluation of assets Amounts specifically for new or upgraded assets Physical Resources received free of charge			
NET SURPLUS/DEFICIT		<u>-26,200</u>	<u>30,257</u>

SOUTHERN EYRE PENINSULA SUBSIDIARY

BALANCE SHEET

as at 30 June 2013

ASSETS	Note	2013	2012
		\$	\$
Current Assets			
Cash & Cash Equivalents	4	271,056	275,511
Trade & Other Receivables	4	7,762	2,154
Total Current Assets		<u>278,818</u>	<u>277,665</u>
Non Current Assets			
Equipment	5	351,008	405,008
Total Non Current Assets		<u>351,008</u>	<u>405,008</u>
Total Assets		<u>629,826</u>	<u>682,673</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payable	6	18,454	528
Short Term Borrowing			
Current Portion of Long Term Borrowings			
Short Term Provisions			
Total Current Liabilities		<u>18,454</u>	<u>528</u>
Non Current Liabilities			
Trade & Other Payable			
Total Non Current Liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>18,454</u>	<u>528</u>
Net Assets		<u>611,372</u>	<u>682,145</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

SOUTHERN EYRE PENINSULA SUBSIDIARY

STATEMENT OF CHANGES IN EQUITY FOR THE 30 JUNE 2013

	Note	2013	2012
		\$	\$
ACCUMULATED SURPLUS			
Balance at beginning of period		682,145	696,461
Change in financial position resulting from operations		(26,200)	30,257
Transfers from Constituent Councils		(44,573)	(44,573)
Balance at end of period		<u>611,372</u>	<u>682,145</u>
BALANCE AT END OF REPORTING PERIOD		<u>611,372</u>	<u>682,145</u>

The above statement should be read in conjunction with the accompanying notes.

Southern Eyre Peninsula Subsidiary

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

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

The financial report was authorised for issue by certificate under clause 11 of the *Local Government (Financial Management) Regulations 2011*.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar.

2 The Local Government Reporting Entity

The Southern Eyre Peninsula Subsidiary is incorporated under the SA Local Government Act 1999 and has its principal place of business at 18 Railway Terrace, Cummins. In the process of reporting on the Subsidiary as a single unit, all transactions and balances between activity areas have been eliminated.

3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Subsidiary 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 Subsidiary's operations for the current reporting period.

4 Cash, Cash Equivalents and other Financial Instruments

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

Receivables are generally unsecured and do not bear interest.

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

5 Infrastructure, Property, Plant & Equipment

5.1 Transitional Provisions

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".

Southern Eyre Peninsula Subsidiary

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2013

Note 1 - Significant Accounting Policies (cont)

5.2 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

5.3 Materiality

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

Plant & Equipment	\$1,000
-------------------	---------

5.4 Subsequent Recognition

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

5.5 Depreciation of Non-Current Assets

All plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below.

Plant & Equipment	11 years
-------------------	----------

6 Payables

6.1 Goods & Services

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

6.2 Payments Received in Advance & Deposits

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

7 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.

8 New Pending Accounting Standards

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

- AASB 9 *Financial Instruments*
- AASB 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*

Southern Eyre Peninsula Subsidiary

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

Note 1 - Significant Accounting Policies (cont)

- AASB 128 *Investments in Associates and Joint Ventures*
- AASB 2010-6 *Amendments to Australian Accounting Standards [AASBs 1 & 7]*
- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 [AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023, & 1038 and Interpretations 2, 5, 10, 12, 19, & 127]*
- AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]*
- AASB 2011-5 *Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, AASB 128 & AASB 131]*
- AASB 2011-7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]*
- AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]*
- AASB 2011-9 *Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]*
- AASB 2011-10 *Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14]*
- AASB 2011-12 *Amendments to Australian Accounting Standards arising from Interpretation 20 [AASB 1]*

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

The Subsidiary 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.

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

Note 2 - INCOME

	2013	2012
USER CHARGES		
User charges are revenues from the sale of goods and services or rent or property facilities.		
They include:		
Plant Hire	72,095	156,405
	<u>72,095</u>	<u>156,405</u>
 INVESTMENT INCOME		
Interest on Investments		
Local Government Finance Authority	3,663	4,776
Banks and Other	1,082	2,105
	<u>4,745</u>	<u>6,881</u>
 GRANTS, SUBSIDIES, CONTRIBUTIONS		
Other grants, subsidies and contributions	5,501	7,383
	<u>5,501</u>	<u>7,383</u>

SOUTHERN EYRE PENINSULA SUBSIDIARY
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

Note 3 - EXPENSES

	2013	2012
MATERIALS, CONTRACTORS & OTHER EXPENSES		
Materials are payment or liabilities for physical goods including energy.		
They include:		
Wages & Salaries	0	64
Contractors	17,645	17,230
Fuel/lubricants	26,637	59,620
Parts, Accessories & Consumables	4,490	2,869
Bank Charges	120	120
Insurance	1,096	1,050
Sundry	4,110	5,459
Plant & Machinery	443	
Total Materials, Contractors & Other Expenses	<u><u>54,541</u></u>	<u><u>86,412</u></u>
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Plant & Machinery	54,000	54,000
	<u><u>54,000</u></u>	<u><u>54,000</u></u>

SOUTHERN EYRE PENINSULA SUBSIDIARY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

Note 4 - CURRENT ASSETS

	2013	2012
CASH & CASH EQUIVALENTS		
Cash on Hand and at Bank	163,016	104,146
Deposits At Call	108,040	171,365
	<u>271,056</u>	<u>275,511</u>
TRADE & OTHER RECEIVABLES		
Accrued Revenues	7,762	2,154
Total	<u>7,762</u>	<u>2,154</u>
Less: Allowance for Doubtful Debts	-	-
	<u>7,762</u>	<u>2,154</u>

SOUTHERN EYRE PENINSULA SUBSIDIARY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2013

Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2012			2013				
	AT FAIR VALUE	AT COST	ACCUM DEP	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP	CARRYING AMOUNT
Land	-	-	-	-	-	-	-	-
Buildings & Other Structures	-	600,000	194,992	405,008	-	600,000	248,992	351,008
Infrastructure	-	-	-	-	-	-	-	-
Plant & Equipment	-	-	-	-	-	-	-	-
Furniture & Fittings	-	-	-	-	-	-	-	-
TOTAL PROPERTY, PLANT & EQUIPMENT	-	600,000	194,992	405,008	-	600,000	248,992	351,008

SOUTHERN EYRE PENINSULA SUBSIDIARY

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

Note 6 - CURRENT LIABILITIES

	2013	2012
TRADE & OTHER PAYABLE		
Goods & Services	18,454	528
Payments Received In Advance		
Accrued Expenses - Other		
	<u>18,454</u>	<u>528</u>

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE
SOUTHERN EYRE PENINSULA SUBSIDIARY**

We have audited the accompanying financial report of the Southern Eyre Peninsula Subsidiary which comprises the balance sheet as at 30 June 2013 and the statement of comprehensive income, statement of changes in equity, cash flow statement, summary of significant accounting policies, other explanatory notes and the certification of financial statement for the year ended 30 June 2013.

Chief Executive Officer's Responsibility for the Financial Report

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have 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 whether the financial report is free from material misstatement.

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

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

Independence

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

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Southern Eyre Peninsula Subsidiary as of 30 June 2013, and of its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011.

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

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

Liability limited by a scheme approved under Professional Standards Legislation

Signed 22 day of November 2013, at Eastwood, South Australia

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

PO Box 75
Henley Beach
SA 5022

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

Email: imd1962@bigpond.net.au

SOUTHERN EYRE PENINSULA SUBSIDIARY

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

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Southern Eyre Peninsula Subsidiary for the year ended 30 June 2013, the Southern Eyre Peninsula Subsidiary's Auditor, Ian G McDonald, has maintained his independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Murray Mason
COMMITTEE MEMBER



Paul Pedler
CHAIRPERSON

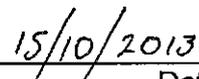
Date:

TREASURER'S STATEMENT

I, TROY ANDREW SMITH the TREASURER of SOUTHERN EYRE PENINSULA SUBSIDIARY do hereby state that the Statement of Financial Position of the SOUTHERN EYRE PENINSULA SUBSIDIARY as at 30 JUNE 2013 and the Operating Statement and Statement of Changes in Equity, together with the supporting notes for the year ended on that date are to the best of my knowledge presented in accordance with the *Local Government Act 1999*, and the *Local Government Accounting Regulations* made under that Act.



Signed



Dated

SOUTHERN EYRE PENINSULA SUBSIDIARY

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

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of Southern Eyre Peninsula Subsidiary for the year ended 30 June 2013, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



Ian G McDonald FCA

Dated this 18 day of October 2013

Southern Eyre Peninsula Subsidiary 2012/13 Annual Report

Southern Eyre Peninsula Subsidiary

The Southern Eyre Peninsula Subsidiary (SEPS) is a partnership arrangement between the District Council's of Tumby Bay and Lower Eyre Peninsula. Each Council is represented by two (voting) delegates on the Subsidiary Management Committee. The Delegates are as follows:

Chairman – Cr P. Pedler, District Council of Lower Eyre Peninsula
Cr M Mason, District Council of Tumby Bay
Cr M. Wilksch, District Council of Tumby Bay
Cr D. Millard, District Council of Lower Eyre Peninsula

The Management Committee also consists of the following (non-voting) staff representatives;

Secretary – Mr D. Windsor (Works Manager DCTB)
Treasurer - Mr T. Smith (Accountant DCLEP)
Mr G Jutzen (Works Manager DCLEP)

There were 3 meetings held during the year which were hosted by each Council in turn.

The Rules, Agendas and Minutes of the Subsidiary are available for public inspection.

The Charter for the Subsidiary was reviewed in August 2012.

Plant

The Subsidiary owns a Caterpillar D7R dozer that was purchased new in December 2008. Each member Council contributed \$115,000 towards the purchase of the new machine and traded a D7H.

The dozer is used to primarily raise rubble for the member Council's Rural Road Construction and Maintenance Programs and is also available for hire with a council operator for private works. As at 30 June 2012 the current machine has worked a total of 4371 hours.

Finance

The Subsidiary recorded an operating loss of \$26,200 for the 2012/13 Financial year.

Bank accounts held with the LGFA and Bendigo Bank had balances totalling \$271,056 at 30 June 2013.

*APPENDIX D – EYRE PENINSULA LOCAL GOVERNMENT
ASSOCIATION ANNUAL REPORT AND FINANCIAL STATEMENTS*

APPENDIX ‘D’

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

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EPLGA

ANNUAL REPORT 2012/13



Photography by Robert Lang



PRESIDENT'S REPORT

2012/13 has proven to be an eventful year with many changes taking place. In December 2012 we said farewell to Diana Laube and welcomed Tony Irvine to the position of EPLGA Executive Officer.

Tony, a familiar face to local government on Eyre Peninsula and South Australia, commenced work on 19th March 2013 in the expanded EO role. It was opportune that the Association was able to take advantage of the LGA "Outreach Services" pilot program that was mooted at the time he commenced as the EO. Sixty percent of Tony's time is spent on EPLGA business and forty percent on "Outreach Services" projects. One of aims of the pilot program is to provide a way of connecting Councils with the services that they seek from the LGA and at the same time provide feedback to the LGA.

On behalf of member councils I thank Diana for the five and half years of excellent work she did on our behalf and the professional way she represented this region at SAROC and the LGA. Though Dianna officially retired in January she continued to help out until March which was much appreciated. I wish her all the best for the future.

Other new faces at EPLGA Board meetings are Wudinna Chairman Eleanor Scholz who replaces the long term serving District Council of Wudinna Chairman Tim Scholz and. the new CEOs - Geoff Moffatt at Ceduna, Rob Forster at Elliston and Trevor Smith at Tumby Bay.

Farewell to Ian Burfitt, Mary Deakin and Steve Kerrigan, and thank you for your contribution.

The withdrawal of State Government core funding to the RDAWEP was extremely disappointing. It was heartening to see member councils demonstrating regional leadership and working together to ensure the regional has a fully functional board that is able to continue assisting the region. After meeting with RDAWEP Board Members the EO and EPLGA Board Executive were successful in having clauses inserted in the agreement to review funding arrangements and an additional review that will consider a number of other issues raised by member councils. No doubt there will be further changes following the federal election.

In June 2013 the EPLGA adopted the Eyre Peninsula Roads Strategy 2013 and Road Assessment 2013 Summary Report and addendum as prepared by SMEC. The EP Roads Strategy is critical in obtaining road funding to our region and to assist councils to meet increasing demands on their road networks.

With increasing demands for road funding and infrastructure funding it is becoming more evident that a more robust methodology is needed to assist EP councils present their case for increased funding.

A major responsibility of my role as President is to represent the 11 member councils at SAROC and LGA Board meetings. SAROC continues to be a valuable forum for regional representatives and the EOs to discuss issues that are specific to regional councils which are then brought to the LGA Board member's attention. The LGA Board meetings consist of representatives from both the regional and metropolitan areas and the focus is governance and policy.

The "Making Regions Matter" forum on 17th April 2013 was a success. Tony and Anita Crisp from the Central Region LGA have continued work on this issue and at the last SAROC other regions agreed to support a combined "Making Regions Matter". This joint approach will ensure it becomes a tool that all regions can utilise and therefore be united in lobbying to make regions matter.

EPLGA Board meetings continue to provide an opportunity for various agencies and groups to inform local government members of opportunities or projects that are happening or about to start in the region. During the year speakers included Minister Russell Wortley, Agrifoods representative Christian Pike, LGA Procurement, Matt Pinnegar from BP Australia, Assoc Professor Michael O'Neil from SA Centre for Economic Studies, ElectraNet, Ombudsman Richard Bingham, SA Ambulance and Planning SA.

I thank Eddie Elleway as Senior Vice President and Mayor John Schaefer Junior Vice President for their support for the year. I would also thank Lachlan Miller, Alan McGuire and Katrina Allen for their assistance during the EO recruitment process.

The introduction of ICAC, new Federal Government and the State Government election early next year and local government elections later in the year will bring new challenges. I look forward to working with all member councils to ensure Eyre Peninsula remains important.

MAYOR JULIE LOW

THE REGION

Local Government and Regional Population

Local Government formally began in the region on 1st July 1880 after the establishment of the District Council of Lincoln and, on 18th August 1921, the Municipality of Port Lincoln was proclaimed.

In 2011, the regional population was 55,651 people, comprising 3.5% of the South Australian population.

LOCAL GOVERNMENT AREA	LAND AREA		POPULATION	
	Km ²	% of Region	No.	% of Region
Whyalla	1,032.5	2.35	22,088	39.69
Port Lincoln	30.4	0.01	14,086	25.31
Ceduna	5,427.1	12.40	3,480	6.26
Cleve	4,506.7	10.30	1,733	3.11
Elliston	6,500.0	14.85	1,046	1.88
Franklin Harbour	3,283.0	7.50	1,273	2.29
Kimba	3,986.2	9.10	1,088	1.95
Lower Eyre Peninsula	4,771.0	10.90	4,916	8.83
Streaky Bay	6,232.0	14.25	2,102	3.78
Tumby Bay	2,615.9	6.00	2,586	4.65
Wudinna	5,393.8	12.34	1,253	2.25
REGION	43778.6	100.00	55,651	100.00

Table : RDAWP Local Government Land Areas and Population.

Regional Demographic Change

Since 2001, the regional population has increased by 3.34% but this growth is not consistent across the region as a whole. The District Councils of Elliston, Wudinna and Kimba experienced population decline of -15.2%, -13.7% and -8.5% respectively, but the District Council of Lower Eyre Peninsula experienced growth of 17.2%. Population growth was also experienced in the coastal Councils of Streaky Bay, Tumby Bay and Port Lincoln:

The demographic change is caused by several reasons, with the desire for a sea change lifestyle being a key factor. Streaky Bay and Tumby Bay are very desirable coastal locations and new estate developments have been established to cater for the growing housing demand, notably by retirees from the agricultural sector. Population growth in the District Council of Lower Eyre Peninsula stems from several locational and lifestyle advantages including numerous coastal townships and proximity to the regional city of Port Lincoln and Port Lincoln Airport.

Kimba and Wudinna, however, are the only Councils in the region without a coastline and this impacts their appeal and tourism development potential.

A loss of employment opportunities from the rationalisation of farming properties is believed to be the main reason for population decline in the coastal council of Elliston. This is supported by ABS mesh block data which indicates that the 15.2% decline is not consistent across the Council area. The coastal township of Elliston grew from 201 people in 2006 to 292 in 2011, whereas the population of the inland

farming town of Lock declined from 144 to 129 in the same period.

(It should be noted that for Census data collection purposes, the boundaries of Elliston and Lock were changed between 2006 and 2011. The population increase at Elliston may well be a product of an expanded town boundary, rather than population growth. Similarly, the population decline at Lock may well be a product of a slightly diminished town boundary, rather than population movement).

LOCAL GOVERNMENT	2001	2006	2011	% Change
City of Whyalla	21,552	21,416	22,088	2.4
City of Port Lincoln	13,199	13,603	14,086	6.3
DC Ceduna	3,683	3,572	3,480	-5.8
DC Cleve	1,832	1,896	1,733	-5.7
DC Elliston	1,205	1,132	1,046	-15.2
DC Franklin Harbour	1,267	1,277	1,273	0.5
DC Kimba	1,181	1,116	1,088	-8.5
DC Lower Eyre Peninsula	4,070	4,402	4,916	17.2
DC Streaky Bay	1,986	2,024	2,102	5.5
DC Tumby Bay	2,453	2,541	2,586	5.2
Wudinna DC	1,425	1,314	1,253	-13.7
TOTAL	53,853	54,293	55,651	3.34

Table : Population Change, Whyalla and Eyre Peninsula Region (ABS Census Data 2001, 2006 and 2011).

Aboriginal Population

In 2011 the region had 3,225 Aboriginal people comprising 5.7% of the regional population, which is notably above the proportions in South Australia (1.9%) and Australia (2.6%). 80% of the region's Aboriginal people (2,572) live in the local government areas of Whyalla, Port Lincoln and Ceduna. The greatest concentration is in Ceduna, where Aboriginal people comprise 24.9% of the Council population.

LOCAL GOVERNMENT AREA	2001		2006		2011	
	No	% of Population	No	% of Population	No	% of Population
Whyalla	630	2.9	767	3.6	921	4.2
Port Lincoln	621	4.7	700	5.1	785	5.6
Ceduna	824	22.4	859	24.0	866	24.9
Cleve	7	0.4	11	0.6	10	0.6
Elliston	12	1.0	19	1.7	18	1.7
Franklin Harbour	4	0.3	12	0.9	12	0.9
Kimba	0	0.0	6	0.5	11	1.0
Lower Eyre Peninsula	65	1.6	101	2.3	143	2.9
Streaky Bay	17	0.9	31	1.5	33	1.6
Tumby Bay	26	1.1	12	0.5	20	0.8
Wudinna	11	0.8	13	1.0	19	1.5
REGION	2,217	-	2,531	4.8	2,845	5.7

Table : Aboriginal Population, Whyalla and Eyre Peninsula Region (ABS, Census 2001, 2006 and 2011).

Location and Environment

The region has a coastal and rural environment with approximately one third of South Australia's coastline stretching over 2,000 kilometres from the upper Spencer Gulf to the Western Australian border. The landscape features a rugged and relatively undeveloped coastline, particularly on the western side of the Eyre Peninsula. The coastal and marine environment includes both marine and conservation parks and encompasses approximately 250 islands ranging in size from about 180 to 40,000 square metres.

The region has a characteristic Mediterranean climate with warm to dry summers and cool, wet winters. Mean annual rainfall varies from 250mm in the north and northwest to more than 500mm in the south.

The geographical relief is undulating and low, with most areas less than 150 metres above sea level. The largest hills are located in the Gawler Ranges north of Wudinna with granite peaks reaching 500 metres. The Koppio Hills form a spine down the central part of lower Eyre Peninsula and are the most significant topographical feature in the southern part of the region.

A large proportion of the land has been cleared for agricultural production; however significant areas of native vegetation remain. Vegetation clearance for agricultural purposes ranges from 14% in the far west to 72% in the south. About 15% of the region's grazing area is covered with scattered vegetation. (Eyre Peninsula Natural Resources Management Board, *State of our Resources, Recognising the State of Natural Resources of the Eyre Peninsula*, 2009).

Industries and Services Overview

The region is well positioned to facilitate and support a broad range of significant developments. The economy is extremely diverse with world-leading companies in agriculture, manufacturing, fishing and aquaculture, and fast growing mining, tourism and renewable energy industries.

Based on employment, the main industries are primary production (agriculture, fishing and aquaculture), health and social care, manufacturing, retail trade, education and training, and construction. Tourism and mining are the region's fastest emerging industries and have significant potential for future growth.

INDUSTRY	EMPLOYMENT 2001	EMPLOYMENT 2011	% CHANGE
Agriculture, Fishing & Forestry	4,012	3,338	-16.8
Health Care & Social Assistance	2,111	2,996	29.5
Manufacturing	2,786	2,890	3.6
Retail Trade	2,481	2,669	7.0
Education & Training	1,764	1,967	10.3
Construction	1,340	1,813	26.1
Accommodation & Food Services	1,356	1,595	15.0
Transport, Postal & Warehousing	999	1,260	20.7
Public Administration & Safety	1,152	1,172	1.7
Mining	199	957	79.2

Table 5: RDAWEP Top Ten Industries by Employment, 2011. (ABS Census 2011 from www.myregion.gov.au).

Primary production (agriculture, fishing and aquaculture) is the largest industry employing 3,338 people or 13.1% of the regional workforce. Employment in primary production declined by 16.8% during the last decade (from 4,012 people in 2001 to 3,338 in 2011), largely due to the rationalisation of farming properties which reduced employment opportunities in the agricultural sector.

Primary production nevertheless remains the major industry in the region and is integral to business growth and development in other industry sectors – ABS, *2011 Census*, from www.myregion.gov.au.

Agriculture

The region produces approximately 42% of South Australia's total agriculture production, with a total value exceeding \$500 million per annum. The region is renowned for its high quality premium grains, particularly high protein wheat, malting barley varieties, milling oats and canola. During the 2011 harvest, Eyre Peninsula produced 41% of South Australia's wheat crop, 25% of the barley crop and 32% of the canola crop. The average annual volume of all grain crops is 2.2 million tonnes, although this peaked to 3.2 million tonnes in 2009. In 2011 the region produced 2.5 million tonnes of grain and, on average, 97% of Eyre Peninsula's grain production is exported. (Australian Bureau of Agricultural and Resource Economics – ABARE – *Crop Report*, June 2012).

Livestock continues to attract high prices and farmer interest in the sheep industry remains stable. The rising value of livestock has rejuvenated interest in the sheep industry and there has been significant reinvestment in meat and wool in recent years.

Fishing and Aquaculture

The commercial fishing and aquaculture industry produces about 80% of South Australia's seafood product and employs over 1,024 people. Tuna farming and oyster growing are the largest employing sectors. The industry is highly trade focused exporting over 80% of seafood produced from the region to markets in New Zealand, Asia, Europe, the Middle East and the USA.

In 2010/11 the region's aquaculture industry accounted for 97% of South Australia's total aquaculture production, valued at \$234.7 million, and employed 87.3% (635) of the State's 727 FTE employment positions in the sector. (EconSearch Pty Ltd, *The Economic Impact of Aquaculture on the South Australian and Regional Economies, 2010/11*, A report for PIRSA Fisheries and Aquaculture, May 2012).

The region is renowned internationally for the production of the highest quality, sashimi grade Southern Bluefin Tuna most of which is exported to Asia – notably Japan. In 2010-11, the tuna farming sector of the aquaculture industry generated \$125 million in direct business turnover, with a flow-on effect to processing and transport of \$11 million and flow-on to other sectors of \$115 million. The direct contribution to gross regional product (GRP) was \$57 million with GRP of \$68 million generated in other sectors of the regional economy. The tuna farms were responsible for the direct employment of 177 FTE and 36 FTE in the processing and transport sector, and indirect employment of a further 519 FTE jobs locally (i.e. a total of 732 FTE positions in the region). (EconSearch, 2012, p.28).

Other important sectors of the region's aquaculture industry include the production of oysters, abalone, mussels and marine finfish which collectively generated product value of \$77.66 million in 2010-11 and directly employed 444 FTE people in the region. (EconSearch, 2012, pp. viii and 9).

The industry also has an important sardine fishery which is critical to the tuna farming sector because approximately 94% of the sardine product caught in South Australia waters is sold for tuna fodder (86% as fresh fodder and 8% frozen) with the remaining 6% sold for human consumption. (Econsearch Report for PIRSA, **Economic Indicators for the South Australian Sardine Fishery 2010-11**, June 2012, pp. 24-6).

The Eyre Peninsula has a domestic and international reputation for its high quality range of premium seafood. This reputation has been built on sound environmental management, sustainability, and entrepreneurship. In a major marketing initiative in 2010, Eyre Peninsula developed a generic regional food brand under the banner of *Eyre Peninsula Australia's Seafood Frontier* to differentiate the region's seafood product as world's best quality. (RDAWEP, *Brand Eyre Peninsula 2012-2013 Food Prospectus*, 2012).

Health and Social Care

The health and social care sector is the largest employer in South Australia and the second largest industry in the region. The health and social care industry offers a diverse range of facilities and services in all townships with regional hospitals located in Whyalla, Port Lincoln and Ceduna. The Ceduna and Whyalla hospitals underwent major redevelopment in 2010 and 2012 (at \$36 million and \$69 million respectively) and the \$40.5 million redevelopment of Port Lincoln Hospital commenced in 2013 after construction was delayed from 2012. (*Port Lincoln Times*, Delays for Lincoln hospital upgrade, Tuesday, May 22 2012, p.3).

Eight smaller hospitals at Cummins, Elliston, Streaky Bay, Tumby Bay, Wudinna, Cleve, Cowell and Kimba provide a range of primary health services, including residential aged care.

In 2011 the health and social care sector employed 2,996 people or 11.8% of the regional workforce. This is a fast growing industry with a 29.5% growth in employment from 2,111 people in 2001 to 2,996 in 2011 and business growth of 36.9% since 2007.

Projections indicate that South Australia's population aged 65 and over will increase to 22.6% in 2020 and 25.7% by 2030. (DFEEST, 2012, p.5). The region's health sector is therefore expecting further growth due to a growing demand for aged care services.

Manufacturing

Manufacturing and resource processing is the region's third largest industry employing 2,890 people in 2011 or 11.3% of the regional workforce. The manufacturing sector has experienced modest employment growth of 3.6% since 2001, but numerous future growth opportunities are pending at Whyalla with several new industrial initiatives planned.

Whyalla is the second largest city in regional South Australia and the principal centre for manufacturing, steel production and resource processing in the Upper Spencer Gulf region. Whyalla is strategically located with transport, engineering, business, retail and education sectors directly servicing the demands of mining and mineral processing developments. Whyalla is consequently being positioned as "South Australia's Mining Services Hub". The establishment of new mining operations in the northern areas of South Australia has potential to further develop Whyalla as the key manufacturing centre of the region.

In recent years steel making at Whyalla by Arrium has increased significantly from 460 thousand tonnes to over 8 million tonnes per annum in 2013. This growth led to a significant expansion of Arrium's Whyalla Port to increase its export capacity for cape class vessels. (*Whyalla News*, Cape vessel milestone as first ship heads through Arrium's new port, Tuesday, February 12, 2013, p.2).

Pending new industrial developments at Whyalla include:

- Construction of a fuel terminal at Port Bonython (Senex Energy Limited, ASX announcement, March 9, 2012), a \$650 million bulk commodities export facility (Flinders Ports Pty Ltd, Flinders Ports website and Media release, March 2012, www.flindersports.com.au),
- A \$1 billion urea manufacturing plan (Archean Group, 2012 Archean website www.archeangroup.com),
- A \$350 million ammonium nitrate manufacturing plant (Deepak, 2012, Deepak website, www.dfpci.com), and
- Construction of a commercial demonstration site for the manufacture of Biofuel from low energy algae harvesting and other feedstock. (Muradel development brochure 2013, *Fast Tracking Nature Sustainably*, www.muradel.com.au). (This project has received development approval and was in the process of construction in June 2013).

Retail Trade

The retail trade sector is an integral part of all townships and has the highest concentration in the provincial cities of Whyalla and Port Lincoln. Collectively, the retail sector is the region's fourth largest industry employing 2,669 people in 2011 or 10.5% of the regional workforce. The retail sector has experienced steady employment growth of 7.0% since 2001. The growth and sustainability of the retail sector is largely reliant on the success of the region's other industries – particularly primary production, manufacturing, mining and tourism – and many retail businesses have been established to directly support and service these enterprises.

The retail sector received a significant boost with the opening of a third major supermarket (Foodland) in Port Lincoln during 2012 and the commencement of a \$22 million upgrade of Westland Shopping Centre at Whyalla in May 2013. (*Whyalla News*, Upgrade Work Begins, Tuesday, May 28, 2013, p.1).

Mining

The region's mining sector is small in comparison with other industries. In 2011 mining employed 957 people or 3.8% of the regional workforce. But mining is having an economic impact and is the fastest growing regional industry with a significant 79.2% growth in employment during 2001-2011.

This growth is the result of unprecedented mining exploration activity in the Lower Eyre Peninsula, which large resources of iron ore, coal and graphite along with uranium, gold and kaolin prospects.

Eyre Peninsula is located in the mineral provinces of the Gawler Craton and Eucla Basin which are rapidly becoming one of Australia's most promising mineral frontiers. The region has the largest deposit of gypsum in the Southern Hemisphere, significant iron ore resources and an emerging world class heavy mineral sands province.

During 2011-13, commodities being mined and exported from the region included:

- Iron ore: 8-9 million tonnes per annum during 2013 being exported by Arrium from Whyalla (*Whyalla News*, Arrium Predicts Iron Ore Sales Increase, Tuesday October 9, 2012, p.2),
- Gypsum: 1.69 million tonnes exported by Gypsum Resources Australia during 2011 from Thevenard Port,
- Heavy mineral sands: 400,264 tonnes exported by Iluka Resources during 2011 from Thevenard Port, and
- Salt: 120,334 tonnes exported by Cheetham in 2011 from Thevenard Port. (Thevenard export data from Flinders Ports Statistics, www.flindersports.com.au).

The mining impact will grow significantly in forthcoming years as new mining enterprises in iron ore, mineral sands, kaolin, graphite and uranium move from exploration to operation. The region presently has five operational mines with a further twelve mines awaiting approval.

Tourism

Tourism is a fast growing industry and has significant development potential due to the region's rapidly growing reputation for unique and diverse nature based visitor experiences and premium seafood products.

Tourism is becoming an important sector for the regional economy, with visitor expenditure exceeding \$277 million in 2011-2012 from 700 businesses. (SATC, Regional Tourism Profile for Eyre Peninsula 2011-2012. Also see, *Whyalla News*, Tourism Finally Recognised, Thursday, June 27, 2013, p.3).

In 2012, with the exclusion of the Adelaide Tourism Region, the Eyre Peninsula was the fourth most popular tourism region in South Australia with 390,000 visitors and the third highest region for visitor nights (1,593,000). Over the period from June 2010-June 2012, the annual visitation in the Eyre Peninsula Tourism Region averaged 326,000 domestic visitors (intra and interstate) and 14,000 international visitors. The collective visitation generated an average of 1,647,000 visitor nights per annum, with international visitors staying an average of 12.1 nights in the region. (SATC Tourism Research, *Overnight Travel - South Australian Regions, Year Ending December 2012*, and SATC, *Eyre Peninsula Regional Tourism Profile 2010-2012*, September 2012).

Due to the success of the regional food brand *Eyre Peninsula – Australia's Seafood Frontier*, the initiative has been adopted as the tourism brand for the region as a whole to drive strategic business and tourism development. The brand is presently being used to position the region as a culinary tourism and conference destination. (RDAWEP, *Brand Eyre Peninsula 2012-2013 Tourism Prospectus*, 2012).

Renewable Energy

Renewable energy has the potential to become a major industry in the region due to natural assets of consistent wind resources, abundant sunshine and high wave action. The region has an estimated 300 cloud free days per annum, making it an ideal location for large scale solar energy farms. The Eyre Peninsula also has a landscape suitable for large scale wind farms and has been identified as offering extensive opportunities for wind generation with four wind zones experiencing wind speeds above 8 metres per second and potential to produce more than 10,000MW of generation. (Macquarie, Worley Parsons and Baker & McKenzie, *Green Grid, Unlocking Renewable Energy Resources in South Australia*, 2012 p.1).

Two wind farms exist at Cathedral Rocks near Port Lincoln and Mt Millar near Cowell which supplement the power transmission network on the Lower Eyre Peninsula.

Several other innovative renewable energy projects are in the process of being progressed. These include

- **Green Grid Proposal:** The staged development of four wind farms at Port Lincoln, Elliston, Cleve and a site near Port Augusta, including the construction of a 500kV transmission network. Stage 1 would cost \$613 million and generate 2,000MW of power. Stage 2 would double the generation to 4,000MW and provide power in the longer term to Heywood in Victoria and Mount Piper in New South Wales. (Macquarie et al, 2012 pp.41-43).
- **Pacific Hydro Pilot Project:** Australian company Pacific Hydro uses hydroelectric technology to generate electricity. Wind generators power pumps to transfer sea water to reservoirs, which is then passed through turbines to generate power. The combination of wind and hydro technologies arguably produces a more efficient means of power generation as the hydro component can maintain power production during low wind periods. Pacific Hydro has a pilot demonstration site north of Coffin Bay in the process of being progressed. (www.pacifichydro.com.au).

Muradel Biofuel Commercial Demonstration Plant:

Australian company, Muradel, is developing a commercial scale demonstration site at Whyalla to produce sustainable Biofuel from microalgae. A pilot plant at Karratha provided promising test results but the demonstration site is located at Whyalla. Whyalla was selected for the demonstration plant because of the climate conditions, available flat and non-arable land, abundant seawater, established transport infrastructure, and availability of skilled labour. Demonstration trials will occur during 2013-14 to identify the most cost efficient method to produce Biofuel to compete with existing fossil-derived products and reduce carbon emissions. (Muradel development brochure 2013, *Fast Tracking Nature Sustainably*, www.muradel.com.au).

MEMBER COUNCILS 2012/13

- City of Whyalla
- City of Port Lincoln
- DC Ceduna
- DC Cleve
- DC Elliston
- DC Franklin Harbour
- DC Kimba
- DC Lower Eyre Peninsula
- DC Streaky Bay
- DC Tumby Bay
- Wudinna DC

REPRESENTATIVES:

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

PRESIDENT: Mayor Julie LOW (DC Lower Eyre Peninsula)

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

JUNIOR VICE PRESIDENT: Mayor John Schaefer (DC Kimba)

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

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

RDA Whyalla and EP BOARD:

Mayor Jim Pollock (City of Whyalla)

Cr Jack Velthuizen (City of Whyalla)

Cr Colin Carter (City of Whyalla)

Mayor Allan Suter (DC Ceduna)

Cr Bryan Trigg (DC Cleve)

Cr Malcolm Catt (City of Pt Lincoln)

EYRE PENINSULA NATURAL RESOURCES MANAGEMENT BOARD

Mayor Laurie Collins (District Council of Tumby Bay)

ANNUAL MEETING SCHEDULE, 1981-2020.

A highlight on the EPLGA calendar is the Annual Conference, hosted each year by a member Council. To assist in host Council planning, the following schedule is included:

2000 DC Franklin Harbour
2001 DC Cleve
2002 DC Streaky Bay
2003 DC Elliston
2004 DC Tumby Bay
2005 Whyalla CC
2006 DC Ceduna
2007 DC Lower Eyre Peninsula
2008 DC Kimba
2009 DC Wudinna
2010 DC Franklin Harbour

2011 DC Cleve
 2012 DC Streaky Bay
 2013 DC Elliston
2014 DC Tumby Bay
 2015 Whyalla CC
 2016 DC Ceduna
 2017 DC Lower Eyre Peninsula
 2018 Port Lincoln CC
 2019 DC Kimba
 2020 Wudinna DC

The 2014 conference will be held on Monday 24th February 2014 at Tumby Bay.

BOARD MEMBERS FOR 2012/13

Under the terms of our Charter, the following Board appointments were current as at June 30th, 2013:

MEMBER COUNCIL	BOARD MEMBER	DEPUTY BOARD MEMBER
Ceduna	Allan Suter (Mayor)	Lynton Brown (D/Mayor)
Cleve	Roger Nield (Mayor)	Jodie Jones (D/Mayor)
Elliston	Pat Clark (Chairperson)	Kym Callaghan (Dep Chair)
Franklin Harbour	Eddie Elleway (Mayor)	Gavin Jackson (D/Mayor)
Kimba	John Schaefer (Mayor)	Dean Johnson (D/Mayor)
Lower Eyre Peninsula	Julie Low (Mayor)	Paul Pedler (D/Mayor)
Port Lincoln	Bruce Green (Mayor)	Neville Starke (D/Mayor)
Streaky Bay	Rob Stephens (Mayor)	Dean Whitford (D/Mayor)
Tumby Bay	Laurie Collins (Mayor)	Murray Mason (D/Mayor)
Whyalla	Jim Pollock (Mayor)	Merton Hodge (Cr)
Wudinna	Eleanor Scholz (Chair)	Neville Scholz(D/Chair)

REPORT OF ACTIVITIES, 2011/12

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

- State and federal Marine parks
- Recreation Fishing limits
- Natural Resources Management
- Regional Development Australia Funding
- Regional Recognition/ Lobbying
- Mining & Impacts
- Fire & Emergency Services Act Review
- MFS Workplace Safety Bill
- Job creation & co-ordination
- Development Act Reform
- Coastal Access
- Independent Commission Against Crime implantation
- Various roads and waste issues
- Regional Strategy for LGA
- Emergency Planning
- Time Zones
- Water Planning
- Regional planning

Projects carried out 2012/13

Regional Training Projects

Following the recommendations of the One System Consultancy, we successfully sought funding through DFEEST for the running of *Certificate IV in OHS* on Eyre Peninsula. Eight Councils have participated with the relevant officer attending day long sessions approximately every month. This project is nearing completion with 2 participants to finalise their assignments to allow the acquittal process to take place for grant funding.

Emergency Management Planning

After success at the Natural Disaster Mitigation Grant rounds, we were advised that our funds could be held over and we were invited to undertake the EMP project with Risk services. This project was completed. Funding is continuing to be held over until regional emergency planning is completed then individual Council Emergency Plans will be reviewed or renewed with the funding to align with the regional planning.

The regional zone emergency planning require the following

- EPLGA to engage with the ZEMC (Zone Emergency Management Committee) to avoid duplication of work

- The project used the ZONE Risk assessments as a basis for work performed to date & in the future
- a commitment to compliance for the zone plans with NERAG and ISO31000. The Project engaged and incorporated NERAG (National Emergency Risk Management Guideline) components
- CERMS (Council Emergency Management Plans) are to be NERAG Compliant.
- any contractors engaged in this project are to be NERAG qualified.

A series of bushfire risk assessment workshops were held during August and Sept 2013 to assist the Councils and other regional stakeholders in their emergency planning.

Regional Collaboration

The concept of a combined forum was first proposed by the EPLGA's then Executive Officer, Diana Laube in 2012. It was looked at holding the event centrally to both our regions in either Port Augusta or even on the ferry – halfway across Spencer Gulf – however timing and logistics meant that it ended up being more convenient to hold it in conjunction with the LGA conference, when most Councils would already be in one place at one time. The purpose of the forum was to hear from those within the political sphere about how the voices of rural communities can be heard and to give us some insight as to how to get our issues 'on the table' and seriously considered. Country areas often battle to have their voices heard and this is felt acutely in South Australia as we are faced with the reality of being a 'one city state'. Although the weight of population often works against us politically, there are some great examples of politicians and academic experts who are particular champions of rural and regional issues.

There were two main parts to the forum – firstly to hear the views of those in politics about the best way to get the issues of country communities on the table and considered – particularly as we headed into federal and state elections. The panel discussion was designed to provide a cross-section from a wide range of politics – state and federal, lower and upper houses, major and minor parties and independents. We were very pleased to have Professor Dean Jaensch to summarise the panel session and to challenge our thinking about how we can influence the political debate.

The second part of the forum - which was discussion by our local government delegates on the three strategic areas/ themes for country communities: strengthening regional investment, growing regional centres and reconnecting Government with regional communities.

We then introduced three expert table facilitators (the “Three Wise Men”) to help guide our discussions on the themes - Professor Dean Carson from Flinders University, Associate Professor Michael O'Neil from Adelaide University and Dr Paul Chapman from Carnegie Mellon University.

We were very pleased to have Lynne Breuer (State Labor Member for Giles); Dan Van holst Pellekaan (State Liberal Member for Stuart); Geoff Brock (Independent Member for Frome); Rob Brokenshire (Family First MLC) and Mark Parnell (SA Greens MLC) to assist us and give good counsel. As is always the risk with members of Parliament being called away for other duties - we did have apologies from

Member for Grey – Rowan Ramsey and Labor Duty Senator for Grey – Alex Gallagher. Member for Wakefield – Nick Champion was also a late apology due to other commitments.

A "Regions Matter Too" draft strategy was developed in June 2013 for discussion at a state regional level. This was the outcome of a regional forum held between the Central & EP LGA's.

Outreach Services Pilot Program

With the retirement of Ms Diana Laube the EPLGA and LGA of SA sought to employ a person with the capabilities of undertaking a pilot of how the LGA of SA could deliver "Outreach Services" to the EP Region. The position would be not only be 0.4 FTE for the LGA "Outreach Services" but also 0.6 FTE for the EPLGA "Business as Usual" services making the role a full time contract position for 2 years.

Tony Irvine commenced the expanded role of Executive Officer for the Eyre Peninsula Local Government Association (EPLGA) and LGA Outreach Support Officer on the 18th March 2013. To assist him in meeting the needs of the eleven Member Councils, the EPLGA, the Eyre Region and the LGA of SA a pilot program in addition to "business as usual" for the next two years was established outlining defined areas of focus. The pilot program includes:

- Assisting with the preparation of LGA policy on regional development;
- Preparing a profile of the region with a focus on what it contributes to the economic growth of the State & nationally;
- Governance needs of each council;
- Legislative compliance in the assets management and long term financial planning;
- Skills assessment in the areas such as IT, planning, environmental health etc and develop a regional training plan;
- Short term employment requirements rather than full time employees;
- Shared services arrangements to assist in meeting the short/long term skills needs and other needs;
- Opportunities arising from the Local Excellence Program – trailing new ways of doing things. For example improving performance, systems & processes that sustain good performance, raising the image of Local Government, effective engagement across the region & State as a whole (i.e. political clout) with other spheres of government, seeking financial arrangements to support the programs required;
- Positioning Local Government & the region for the State 2014 elections by gathering evidence of the needs of the sector & possible solutions that could be an "ask" in an election environment;
- Identify any "centre of excellence" that may exist within the region;
- Developing CEO, Works Manager & any other forums to assist in the sharing of resources and information – save the same thing being undertaken 11 times;
- Managing local issues for the member councils – advocacy, lobbying, problem solving etc.

The LGA and the EPLGA centred the two year pilot on:

- Preserving the current important role of the Executive Officer of the EPLGA;
- Enhancing the connections between the work of the EPLGA and that of the LGA where it is mutually beneficial to do so;
- Enhancing the services of the LGA to be an "outreach" service but targeted to needs identified

- by the EPLGA/ Region;
- Appointment of a resource that is made jointly between the LGA & EPLGA to deliver on the ground services to Councils;
 - Agreeing on a program of works/activity and the funding model required;
 - Address other issues deemed important to the success of the pilot.

EPLGA CEO's Committee

On 28th June 2013, the Eyre Peninsula Local Government Association (EPLGA) established a Chief Executive Officer Committee to 'meet from time to time to consider issues of relevance to Eyre Peninsula Councils, and to provide advice to the EPLGA Board on those issues'.

The Committee's role is:-

1. To provide high level strategic advice to the EPLGA about its identified priority issues.
2. To arrange and coordinate reports to the EPLGA on those priority issues.
3. To initiate reports and advice to the EPLGA on other matters identified by the Committee to be of strategic regional significance.
4. To assist and advise the EPLGA about the development and implementation of its Management Plan and other plans.
5. To share operational information and expertise amongst the committee members and other agency Chief Executive Officers of similar.

The membership of the Committee comprises the Chief Executive Officers of all Councils which are members of the EPLGA.

Other working groups may be established from time to time to undertake specific tasks on behalf of the EPLGA Board or CEO's Committee.

Regional Roads Priorities - review ranking & prioritisation criteria

At the June 2013 EPLGA Board Meeting a resolution was passed to undertake a review of the criteria used to prioritise regional roads to be submitted for funding from the Special Local Roads Funding Program.

A discussion paper was released to seek support for the methodology to be used in the review. Stakeholders were in agreement with the discussion paper and from this the project was scoped for the consultants to carry out the work required. A desired outcome is a roads database for the entire region.

Regional Climate Change Adaptation Plan

The Executive Officer and President sit at the Eyre Peninsula Integrated Climate Change Adaptation (EPICCA) Committee table.

Under the State Climate Change Adaptation Framework, areas across the State, including the Eyre Peninsula, are required to develop a Regional Climate Change Adaptation Plan. EPICCA facilitated the development of the Regional Climate Change Adaptation Plan for the Eyre Peninsula.

EPICCA's goal was to develop and implement practical, regionally-appropriate and sensitive measures to

address the likely impacts of climate change.

EPICCA commissioned Stage 1 of this work - a knowledge audit to establish the information base for further adaptation planning.

The approach to developing the Regional Adaptation Plan was to:

- a) engage with representatives of key sectors on the Eyre Peninsula to identify current and future decisions that could be impacted by climate change;
- b) to identify and prioritise adaptation options for the region.

Three workshops were run as part of this project.

Regional Skills Initiative

The Executive Officer was appointed to a position on the Agrifoods Advisory Committee which was established to develop and implement workforce development strategies and industry nationally endorsed qualifications to meet the current and emerging needs of enterprises, employees and students throughout regional and urban Australia.

The Committee worked with a vast array of stakeholders at all levels:

- on the ground with enterprises, regional communities and research organisations to drive adoption of new and better workforce planning and skills development;
- with schools, Registered Training Organisations (RTOs) and the tertiary sector more broadly to drive high quality delivery and assessment of skills;
- with industry peaks and key bodies to build their voice as advocates and change agents of the national skills and workforce development agenda;
- with the three tiers of government to drive evidentiary-based policy formation which supports the needs of agrifood sectors and the challenges facing regional Australia's workforce.

The District Council of Cleve held a round table to address their sub-regional needs and the three Lower Eyre Peninsula Councils were involved in workforce planning through the Agrifoods initiative.

Regional Water Re-use Plan & Funding

In June 2013 a funding submission was lodged to establish a Regional CWMS Users Group with a view to improving regional skills in this area plus having a forum for the sharing of information. The bid was successful and hence a users group has been established.

The Eyre Peninsula Council's jointly own and operate 13 community wastewater management schemes servicing 5775 property connections.

Eyre Peninsula Council's are acutely aware of the potential impact of the Water Industry Act and the increasing regulatory and reporting environment surrounding CWMS operations due to their classification as an essential service.

The following desired outcomes of a CWMS User's group were identified:

- Establishment of users group to facilitate knowledge sharing across Council's operating CWMS'
- Identification of regional capacity and skills gaps to provide for the efficient and compliant ongoing operation and maintenance of existing and new Community Wastewater Management Schemes
- Promote regional training to maintain skill sets required to ensure sustainability
- Development and implementation of standardised recording and reporting mechanisms
- Facilitated development of up-to-date, user friendly operation, maintenance, monitoring and contingency plans
- Schematic mapping of existing schemes to assist with understanding of catchment capacities and constraints
- Development and implementation of standardised accounting systems to assist in comparisons between schemes and Council's
- Identify opportunity for shared resources, including platforms for remote access
- Identification of potential shared procurement opportunities in areas such as spare parts inventories, septic tank desludging and drain flushing.

It was proposed that the initial development of an EPLGA CWMS User Group be facilitated by an external third party, a model which proved successful in the South East Council's User Group.

The member Council's of a CWMS User Group commit both management and operational resources to this project and it is intended that this initial commitment will continue through to the ongoing operations of the User Group as a recognised working group of the EPLGA.

Development of a Regional Training & Development Plan to assist training programming & relativity.

An increase in Council participation has been witnessed through the Executive Officer of the EPLGA being a link and encouraging Councils to participate in LGA sponsored training programs such as CDAP Member training, Code of Conduct Training etc. This was also contributed to the Executive Officer giving advice to the LGA on where to hold such training and when so as to avoid clashes with regional seasonal events (e.g. harvest) and other events.

Management Plan - review.

At the June 2013 EPLGA Board meeting the EPLGA Board considered and adopted the draft EPLGA Management Plan 2013 -16.

To avoid some confusion between the Business Plan prepared by a Council, the EPLGA uses the term "Management Plan." This "Management Plan" was for the period - 2013 to 2016 but will be reviewed annually and has an updated annual work plan & budget included for the current year. It also includes the strategic directions the EPLGA wishes to take for the period 2013 - 16.

MANAGEMENT PLAN PERFORMANCE

1. ACTIVELY ASSIST MEMBERS BY REPRESENTING THEIR COMBINED INTERESTS.

- 1 Seek invitation to provide responses to legislative and policy changes that materially impact our region
- 1.2 Seek the mandated preparation of regional impact statements prior to any state legislated changes likely to affect our region

Comment: Include in 2013/14 Budget to prepare own regional statement & to have all regions to do the same with a view to having our own regional statement developed from the individual regions statements.

- 1.3 Prepare coordinated submissions to relevant inquiries and proposals on behalf of members.

Comment: The Fire & Emergency Services Act review response was an example of the region working together in preparing a single regional response.

- 1.4 Take an active interest in regional waste management, water planning, marine parks, mining, food security, climate change, local workforce planning and any activities that could impose changes to our region.

Comment: President &/or Executive Officer actively involved in regional committees and/ or meetings dealing with regional waste management, water planning, marine parks, mining, food security, climate change, local workforce planning and other activities that may impose change upon the region.

- 1.5 Continue to advocate for roads funding opportunities.

Comment: The development of a roads database for all EP roads and to be used as a tool for prioritising regional roads is well underway.

- 1.6 Develop a coordinated approach to the Commodity Freight Routes across the region, being mindful of divergent needs between Councils.

Comment: Comments in 1.5 will apply to this as freight roads will be weighted to assist in the prioritisation of regional roads seeking funding assistance.

2 BUILDING STRONG PARTNERSHIPS FOR THE PROMOTION OF OUR SECTOR AND OUR REGION

- 2.1 Ensure we are represented at SAROC, State Executive Committee meetings and the General meetings of the LGA.

Comment: The President & Executive Officer attend these meetings when held.

- 2.2 Ensure regular information flows to our member Councils via Newsletters, website updates, media announcements and personal contacts.

Comment: Newsletters are continuing to be published and the website is maintained to assist. The media are used as and when needed and are sent the meeting agendas & minutes.

- 2.3 Seek reports from regional partners at EPLGA Board Meetings and forums

Comment: Regional partners have a standing agenda item at each Board meeting to present to the constituent Councils.

- 2.4 Actively seek direct engagement with state government partners in order to allow bottom up, and more streamlined, planning and engagement.

Comment: The EPGA has been a strong advocate for state government partners to visit the region on planning & engagement matters. e.g. ITLUS planning, Development Act reform, RESIC meeting etc.

- 2.5 Seek opportunities to partner with industry and community groups to promote the economic and social prosperity of Eyre Peninsula.

Comment: The partnering with Agrifoods to develop workforce planning & cross qualifications & training is a great example of this action being undertaken. The Executive Officer sits at the Agrifood Advisory Committee table. 6 Councils have participated in the Agrifoods initiative to date.

- 2.6 Work with member Councils to facilitate economic expansion by coordinating the approach to structure planning, ensuring consistency with the principles contained in the Eyre and Western Plan.

Comment: The Executive Officer has been involved in the Tumby Bay & Port Neill Structure Planning sessions and sits at their advisory group tables. He has also been involved in the Greater Port Lincoln Structure Plan consultation and spoken the District Council of Wudinna on the issue.

- 2.7 Work with state departments and regional partners to better coordinate Infrastructure Planning consistent with the principles in the Eyre and Western Plan.

Comment: The Executive Officer along with Council representatives have been involved in the Integrated Transport & Land Use planning undertaken by the state government. The plan is for the region to develop its own infrastructure plan to feed this into state government plans. The region is also involved in RDAWEP Infrastructure planning.

- 2.8 Investigate ways to encourage the state government to streamline its regional consultation processes to avoid multiple meetings that duplicate effort.

Comment: This has been an issue discussed at the SAROC level and continues to be pursued.

3 RAISE THE PROFILE OF THE ASSOCIATION BY GREATER MEDIA PRESENCE.

- 3.1 Issue a media release after each Board meeting and at any occasion where deemed appropriate.

Comment: Media used as and when appropriate. Agenda & minutes of the Board are distributed to regional media to seek interest.

- 3.2 Develop a media policy for the organization and designate how TV and radio interviews will be conducted.

Comment: Media Policy adopted at June 2013 EPLGA Board meeting.

- 3.3 Consider the nomination of media representatives to present a coordinated and endorsed approach to all media.

Comment: Still managing media in house.

4 ASSIST MEMBER COUNCILS BY COORDINATING REGIONAL INVESTIGATIONS OF OPERATIONAL ISSUES

- 4.1 Actively participate in meetings that promote Continuous Improvement activities in Councils.

Comment: The Outreach Services Pilot Program is about the continuous improvement of activities in Councils. This is a 2 year program funded by the LGA of SA & is 0.4 FTE of the Executive Officer's time.

- 4.2 Continue to promote regional training opportunities to assist Councils to up skill workforce.

Comment: The Executive Officer has been assisting with this through better co-ordination of type of training required, when it could be held & the most suitable location for training. The Councils response has been excellent, highlighting the success of this effort.

- 4.3 Facilitate Shared services investigations and discussions at either the regional or sub regional level, where appropriate.

Comment: The Executive Officer has maintained his role in the Lower Eyre Peninsula Councils shared service project.

- 4.4 Liaise with the LGA program managers to assist in linking funding opportunities to Council activities.

Comment: Funding has been gained for the Outreach Services Pilot, the Lower EP Councils shared services, the EP CWMS Users Group as an example of this working.

- 4.5 Review our Charter.

Comment: A reviewed charter was presented to the Sept 2013 EPLGA Board meeting.

- 4.6 Coordinate a regional or sub regional approach to road upgrades required for resource sector expansion.

Comment: A Mining Roundtable was held in the Oct 2014 to assist with this type of planning. A report from the SA Centre for Economic Studies was part funded by the EPLGA & LGA to assist with these issues.

- 4.7 Review the methodology of preparing the Eyre Peninsula Road Strategy.

Comment: The Roads Strategy was re-worked in 2013 and since this a database was developed to include all EP roads with a methodology prioritisation tool inbuilt to give better road prioritisation.

- 4.8 Prepare regional submissions to fund combined approaches to governance activities required of Councils, where agreed by Members.

Comment: No action as yet.

5 DEVELOP WAYS TO DIRECTLY ENGAGE WITH BOTH STATE AND FEDERAL GOVERNMENTS TO ASSIST IN REGIONAL PROMOTION

- 5.1 Include funding in the Annual Business Plan to allow deputation to both State and Federal parliaments on key issues that arise.

Comment: Funding included in the 2013/14 budget for such.

- 5.2 Liaise with other regional LGA and RDAs where combined lobbying best represents our interests.

Comment: The Executive Officer meets bi-monthly with other regional LGA's Executive Officers to manage such issues as joint collaboration & lobbying. The Executive Officer is located in the RDAWEP Port Lincoln Offices and has a good connection to RDAWEP lobbying efforts.

- 5.3 Seek opportunities to strengthen working relationships with the senior levels of state

government.

Comment: The Executive Officer has good political connections and uses these when needed.

6 UNDERTAKE A TWO YEAR "OUTREACH SERVICES" PILOT PROGRAM IN PARTNERSHIP WITH THE LGA OF SA .

6.1 Establish a funding agreement for \$70k per year with the LGA of SA.

Comment: Established.

6.2 Establish a work plan for the pilot program in consultation with member councils and the LGA of SA.

Comment: Established & reported against to EPLGA & LGA of SA.

6.3 Prepare a case study of the pilot program for future reference.

Comment: Being prepared as the program advances.

KEY PERFORMANCE INDICATORS

While the measurement of performance is a key component of planning, the nature of the workload for the Executive Officer has typically made KPI setting and measuring difficult. Much of the day-to-day operational activity remains reactive and in response to legislated and policy changes that routinely emerge. However, the following measurement may be an indication of performance for each year.

KPI	MEASURED BY	TARGET SCORE
Member General Satisfaction	Number of formal complaints	Zero complaints from members Actual: Zero complaints received
Member attendance at meetings , workshops, training	Number of members who are represented	All members Actual: Usually all 11
Competitive funding secured	Dollars secured	Equal to membership (\$140K) Actual: Outreach Program \$70k Lower EP Shared Services \$14k EP CWMS Group \$31k Regional Capacity \$38k
Achieved annual work plan		All items either achieved or timeframes for completion, and process, in place. Some subject to external funding.

		Actual: On target
EPLGA is represented at LGA regions meetings	Number of meetings attended	100% Actual: 100%
Co-ordinate regional training activities on EP	Number of days training per year	At least 6 Actual; target reached
Annual review of Executive Officer	Final achievement score	Average Rating of 3/5 for personal evaluation undertaken by EPLGA Executive Actual: Review to occur in Feb 2014.
Greater media activity	Number of interviews and media releases	At least one interview per month. Media releases at least every 2 months. Actual: Meeting target

Use of Financial Resources.

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

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

INCOME STATEMENT For the year ended 30th June 2013

	Note	2013 \$	2012 \$
INCOME			
Interest Received		15,571	13,244
Membership Fees	5	140,000	140,000
Reimbursable Expenses		1,967	282
Project Management Fees		-	3,000
		<u>157,538</u>	<u>156,526</u>
EXPENSES			
Administration		11,768	9,444
Audit Fees		1,940	1,530
Bank Charges		798	826
Computer Expenses		2,210	287
Consultants		1,560	-
Employee Expenses		77,898	69,980
Insurance		5,281	5,059
Marketing & Promotion		64	652
Meeting Expenses		2,125	3,313
Miscellaneous Expenses		60	-
President's Expenses		1,500	1,500
Secretarial Service		17,000	17,000
Telephone		702	564
Travel Expenses		7,054	8,271
Training Expenses		-	595
		<u>129,960</u>	<u>119,021</u>
SURPLUS/(DEFICIT)		<u>27,578</u>	<u>37,505</u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

BALANCE SHEET As at 30th June 2013

	Note	2013 \$	2012 \$
ASSETS			
Cash and cash equivalents	3	277,382	238,667
Receivables	4	9,581	19,685
TOTAL CURRENT ASSETS		<u>286,963</u>	<u>258,352</u>
LIABILITIES			
Trade and other payables	6	13,671	13,719
Unspent Grants	2	<u>32,092</u>	<u>31,011</u>
TOTAL LIABILITIES		<u>45,763</u>	<u>44,730</u>
NET ASSETS		<u>241,200</u>	<u>213,622</u>
ACCUMULATED FUNDS			
Balance brought forward		213,622	176,117
Change in Financial Position Resulting from Operations		27,578	37,505
ACCUMULATED FUNDS AT THE END OF THE FINANCIAL YEAR		<u>241,200</u>	<u>213,622</u>

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

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

(a) Employee Benefits

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

(b) Cash and Cash Equivalents

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

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30th June 2013**

2. PROJECTS

	1/7/2012 Brought Forward	Income	Expenditure	Project Management	Unspent
Regional Capacity Building	26,002	36,424	47,463	-	14,963
EP Coastal Development Strategy	654	-	-	-	654
Human Resource Consultancy	(548)	-	-	-	(548)
Road Assessor Training	(256)	-	-	-	(256)
Cert IV Training	(4,841)	13,686	9,668	-	(823)
Project – Other	10,000	-	-	-	10,000
Cores – EP	-	8,102	-	-	8,102
	31,011	58,212	57,131	-	32,092

2013
\$

2012
\$

3. CASH AND CASH EQUIVALENTS

Bank SA Cheque/Savings	24,122	20,357
Bendigo Term Deposit	137,254	130,514
LGFA	107,904	87,796
LGFA – Cores EP	8,102	-
	277,382	238,667

4. RECEIVABLES

Debtors	-	4,704
GST receivable	4,623	13,501
Accrued Interest	4,958	1,480
	9,581	19,685


- 4 -

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

5. MEMBERSHIP FEES

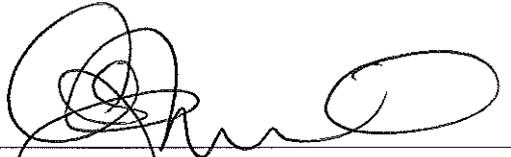
District Council of Ceduna	13,600	13,597
District Council of Cleve	10,182	10,184
District Council of Elliston	8,627	8,628
District Council of Franklin Harbour	8,923	8,923
District Council of Kimba	8,596	8,596
Wudinna District Council	9,000	8,998
District Council of Lower Eyre Peninsula	15,286	15,287
District Council of Streaky Bay	10,445	10,445
District Council of Tumby Bay	11,500	11,497
City of Whyalla	25,400	25,403
City of Port Lincoln	18,441	18,442
	<u>140,000</u>	<u>140,000</u>

6. TRADE & OTHER PAYABLES

Accrued Expenses – employee entitlements	2,622	6,732
Trade Creditors	2,397	4,161
Payroll Liabilities	8,652	2,826
	<u>13,671</u>	<u>13,719</u>

CHIEF EXECUTIVE OFFICER'S STATEMENT

I, ANTHONY IRVINE, the person for the time being occupying the position of CHIEF EXECUTIVE OFFICER of EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION do hereby state that the Financial Statements of the Association for the 30 June 2013 financial year are to the best of my knowledge presented fairly and in accordance with accounting procedures which have been maintained in accordance with the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 1999* made under that Act.



Signed

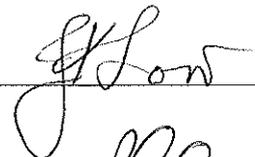
Dated 20/9/13

STATEMENT OF THE BOARD OF MANAGEMENT MEMBERS

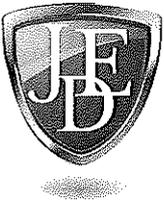
In the opinion of the Board of Management of the Eyre Peninsula Local Government Association the accompanying Financial Report attached hereto, are drawn up so as to present fairly the results of the Association for the year ended 30 June 2013, and the state of affairs of the Association as at 30 June 2013, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Signed 27th day of September 2013

in accordance with a resolution of the Board of Management

 _____ Member Julie Low
Mayor DELEP.
 _____ Member Bruce Green.
Mayor PLCC.





John D. Ewen & Associates

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

We have audited the accompanying Financial Report of the Eyre Peninsula Local Government Association which comprises the balance sheet as at 30 June 2013 and the income statement and statement of changes in equity for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Chief Executive Officer's declaration as set out on pages 1 – 5.

THE CHIEF EXECUTIVE OFFICER'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999*. This responsibility includes establishing and maintaining internal control 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 my 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 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 judgment, 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 Association, 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.

AUDITOR'S INDEPENDENCE DECLARATION

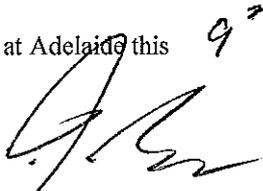
In conducting our audit we have complied with the independence requirements of the *Local Government Act 1999*, the *Local Government (Financial Management) Regulations 1999* and the Australian professional accounting bodies.

AUDIT OPINION

In our opinion the financial report of the Eyre Peninsula Local Government Association is properly drawn up:

- a) To give a true and fair view of:
 - i) the Association's state of affairs as at 30 June 2013 and changes in equity resulting from operations and cash flows for the year ended on that date.
 - ii) the other matters required by the Local Government Act 1999 to be dealt with in the financial statements.
- b) According to the Local Government Act 1999, together with the Local Government Act 1999 (Financial Management) Regulations 1999 made under that Act; and
- c) According to Australian Accounting Standards and mandatory professional reporting requirements.

Signed at Adelaide this 9th day of OCTOBER 2013



JOHN D EWEN
JOHN D EWEN & ASSOCIATES
CHARTERED ACCOUNTANT

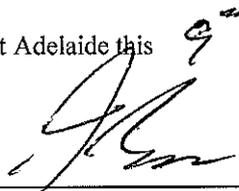
AUDITOR'S INDEPENDENCE DECLARATION

Auditor's Independence Declaration under Section 16A of the Local Government (Financial Management) Regulations 1999 to The Members of Eyre Peninsula Local Government Association

I confirm that, for the audit of the financial statements of the Eyre Peninsula Local Government Association for the year ended 30 June 2013, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A (4) *Local Government (Financial Management) Regulations 1999*.

Signed at Adelaide this 9th day of OCTOBER 2013



JOHN D EWEN
JOHN D EWEN & ASSOCIATES
CHARTERED ACCOUNTANT