



# Central

## Local Government Region of South Australia

Incorporated under provisions of the Local Government Act

# Annual Report for 2012 – 2013

*A regional subsidiary of:*

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

## Contact Details

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# The Central Local Government Region of South Australia

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

The Central Region is established to:

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

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

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

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

## Office Bearers for 2012/13

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**Chairman:** Mayor James Maitland (Wakefield)

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

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

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

**Executive Officer:** Anita Crisp

**Auditor:** Ian G. McDonald

# Central Local Government Region Board of Management

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

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

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

## Meetings of the Central Region Board of Management

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

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

Meetings were held:

- ✧ Annual General Meeting, Friday 10<sup>th</sup> August 2012 (hosted by Barossa)
- ✧ General Meeting, Friday 9<sup>th</sup> November 2012 (hosted by Barunga West)
- ✧ General Meeting, Friday 8<sup>th</sup> February 2013 (hosted by Clare & Gilbert Valleys)
- ✧ General Meeting, Friday 10<sup>th</sup> May 2013 (hosted by Copper Coast)

## Committee Meetings

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

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

## Regional Forums and Workshops

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

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

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



# Achievements for 2012/13

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

## 1. Board Governance and Operations

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

### Achievements for 2012/13

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

## 2. Local Government Leadership and Sustainability

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

### Achievements for 2012/13

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

### 3. Regional and Community Sustainability

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

#### Achievements for 2012/13

##### **Regional Identity, Planning & Cohesion**

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

##### **Waste Management**

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

##### **Transport**

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

##### **Environment and Natural Resources**

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

##### **Water Resources**

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

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

### **Climate Change and Emergency Management**

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

### **Windfarm Development**

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

### **Community Wellbeing, Health and Prosperity**

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

## **Audited Financial Statements 2012/13**

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14 September 2013

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

Dear Mayor Maitland

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

The audit opinion has been signed without qualification.

### **1. Report on Matters Arising from the Audit**

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

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

The Auditor's Independence Declaration has been provided.

### **2. Adequacy of the Internal Control Environment**

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

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

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

Yours sincerely



Ian Mc Donald

Cc: Griff Campbell

# Central Local Government Region of SA Inc

## General Purpose Financial Reports for the year ended 30 June 2013

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

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

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

**Central Local Government Region of SA Inc**

**BALANCE SHEET**  
as at 30 June 2013

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

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



## Central Local Government Region of SA Inc

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

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

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

## Central Local Government Region of SA Inc

### CASH FLOW STATEMENT for the year ended 30 June 2013

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

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

## Central Local Government Region of SA Inc

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

#### Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

##### 1 Basis of Accounting

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

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

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

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

##### 1.1 Historical Cost Convention

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

##### 1.2 The Local Government Reporting Entity

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

The Constituent Councils are:

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

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

##### 1.3 Income recognition

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

## Central Local Government Region of SA Inc

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

#### Note 1 - Significant Accounting Policies (cont)

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

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

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

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

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

#### 1.5 Infrastructure, Property, Plant & Equipment

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

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

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

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

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

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

#### 1.6 Payables

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

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

## Central Local Government Region of SA Inc

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

#### Note 1 - Significant Accounting Policies (cont)

##### 2 Employee Benefits

###### 2.1 Salaries, Wages & Compensated Absences

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

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

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

###### 2.2 Superannuation

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

##### 3 GST Implications

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

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

##### 4 Pending Accounting Standards

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

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

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

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

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

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

# Central Local Government Region of SA Inc

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

### Note 2 - INCOME

	Notes	2013 \$	2012 \$
<b>INVESTMENT INCOME</b>			
Interest on investments			
Local Government Finance Authority		17,041	21,431
Banks & other		392	1,085
		<u>17,433</u>	<u>22,516</u>
<b>OTHER INCOME</b>			
Council Contributions		145,245	142,395
Roads Project		0	5,148
Motor Vehicle Contribution		5,400	10,000
Sundry		9,113	4,320
		<u>159,758</u>	<u>161,863</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Other grants, subsidies and contributions		636,060	796,980
		<u>636,060</u>	<u>796,980</u>
<i>The functions to which these grants relate are shown in Note 2.</i>			
<b>Sources of grants</b>			
Commonwealth government		402,636	352,000
State government		135,000	334,000
Other		98,424	110,980
		<u>636,060</u>	<u>796,980</u>

### Conditions over grants & contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

Unexpended at the close of the previous reporting period	221,816	225,809
Less: expended during the current period from revenues recognised in previous reporting periods		
P002-Flood Remediation	(9,910)	
P008-Coastal Councils Project		(126,473)
P009-Climate Change		(74,202)
P010-Windfarm Liaison	(28,462)	
P014-Water Project		(25,134)
Subtotal	<u>(38,372)</u>	<u>(225,809)</u>
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions		
P002-Flood Remediation		9,910
P003-Waste Management	7,890	5,584
P007-LGA R&D Projects	3,493	
P008-Coastal Councils Project	13,923	55,104
P009-Climate Change	34,229	75,153
P010-Wind Farm Liaison		76,065
P014-Water Project	21,439	
P022-Roads & Transport	21,458	
Subtotal	<u>102,432</u>	<u>221,816</u>
Unexpended at the close of this reporting period	<u>285,876</u>	<u>221,816</u>
Net increase (decrease) in assets subject to conditions in the current reporting period	<u>64,060</u>	<u>(3,993)</u>

## Central Local Government Region of SA Inc

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

#### Note 3 - EXPENSES

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

# Central Local Government Region of SA Inc

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

### Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

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

### Note 5 - CURRENT ASSETS

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

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

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# Central Local Government Region of SA Inc

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

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

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

## Central Local Government Region of SA Inc

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

#### Note 8 - LIABILITIES

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

## Central Local Government Region of SA Inc

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

#### Note 9 - RESERVES

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

#### PURPOSES OF RESERVES

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

## Central Local Government Region of SA Inc

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

#### Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

**(a) Reconciliation of Cash**

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

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

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

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

**(d) Financing Arrangements**

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

#### Note 12 - FUNCTIONS

The activities of the Region are categorised into the following programmes

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

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

## Central Local Government Region of SA Inc

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

#### Note 13 - FINANCIAL INSTRUMENTS

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

##### Accounting Policies - Recognised Financial Instruments

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value; interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> Short term deposits are available on 24 hour call with the LGFA and has an interest rate of 2.75% as at 30 June 2013.</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables - Fees &amp; other charges</b>	<p><b>Accounting Policy:</b> 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><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although the Region is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Region's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables - other levels of government</b>	<p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; conditions:</b> 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><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Creditors and Accruals</b>	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Region.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>

##### Liquidity Analysis

2013	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	601,152			601,152	601,152
Receivables	55,249			55,249	55,249
<b>Total</b>	<b>656,401</b>	-	-	<b>656,401</b>	<b>656,401</b>
<b>Financial Liabilities</b>					
Payables	48,455			48,455	48,455
<b>Total</b>	<b>48,455</b>	-	-	<b>48,455</b>	<b>48,455</b>

2012	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	586,594			586,594	586,594
Receivables	86,077			86,077	86,077
<b>Total</b>	<b>672,671</b>	-	-	<b>672,671</b>	<b>672,671</b>
<b>Financial Liabilities</b>					
Payables	58,041			58,041	58,041
<b>Total</b>	<b>58,041</b>	-	-	<b>58,041</b>	<b>58,041</b>

##### Net Fair Value

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

##### Risk Exposures

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

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

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

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

## Central Local Government Region of SA Inc

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

#### Note 15 - FINANCIAL INDICATORS

	2013	2012	2011
--	------	------	------

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

#### **Operating Surplus Ratio**

##### Operating Surplus

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

Rates - general & other less NRM levy

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

#### **Net Financial Liabilities Ratio**

##### Net Financial Liabilities

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

Total Operating Revenue less NRM levy

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

#### **Asset Sustainability Ratio**

##### Net Asset Renewals

	418%	0%	430%
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*Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.*

## Central Local Government Region of SA Inc

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

#### Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

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

## **Central Local Government Region of SA Inc**

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

#### **Note 18 – SUPERANNUATION**

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

##### **Marketlink (Accumulation Fund) Members**

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

##### **Salarylink (Defined Benefit Fund) Members**

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

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

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



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

**Note 19 - JOINT VENTURES & ASSOCIATED ENTITIES**

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

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

The Region has no interest in Joint Ventures or Associated Entities

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

**Central Local Government Region of SA Inc**

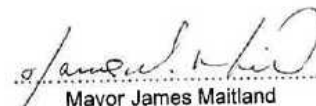
**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2013**

**CERTIFICATION OF FINANCIAL STATEMENTS**

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

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

  
.....  
Anita Crisp  
CHIEF EXECUTIVE OFFICER

  
.....  
Mayor James Maitland  
PRESIDENT

Date: 09/08/2013

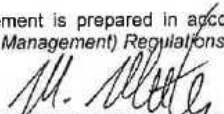
## Central Local Government Region of SA Inc

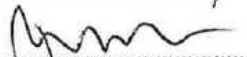
### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2013

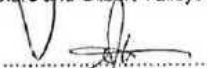
#### CERTIFICATION OF AUDITOR INDEPENDENCE


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

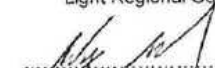
This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

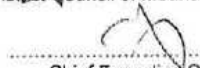
  
Chief Executive Officer  
The Barossa Council

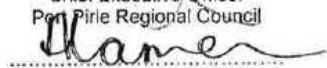
  
Chief Executive Officer  
Clare and Gilbert Valleys Council


  
Chief Executive Officer  
The Flinders Ranges Council

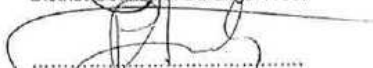
  
Chief Executive Officer  
Light Regional Council

  
Chief Executive Officer  
District Council of Mount Remarkable

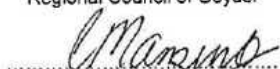
  
Chief Executive Officer  
Port Pirie Regional Council

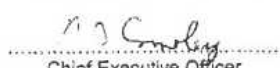
  
Chief Executive Officer  
District Council of Yorke Peninsula


  
Chief Executive Officer  
District Council of Barunga West

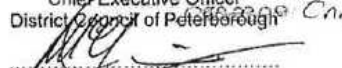
  
Chief Executive Officer  
District Council of the Copper Coast

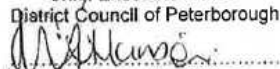
  
Chief Executive Officer  
Regional Council of Goyder

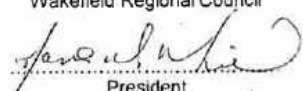
  
Chief Executive Officer  
District Council of Mallala

  
Chief Executive Officer  
Northern Areas Council

  
Chief Executive Officer  
District Council of Peterborough

  
Chief Executive Officer  
District Council of Peterborough

  
Chief Executive Officer  
Wakefield Regional Council

  
President  
Central Local Government Region  
Board of Management

**Central Local Government Region of SA Inc**

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

**STATEMENT BY AUDITOR**

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

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



**Ian G Mc Donald FCA**

Dated this 25 day of July 2013

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

I have audited the accompanying financial report of the Central Local Government Region of SA Inc which comprises the balance sheet as at 30 June 2013 and the statement of comprehensive income, statement of changes in equity, cash flow statement, summary of significant accounting policies, other explanatory notes and the certification of financial statement for the year ended 30 June 2013.

**Chief Executive Officer's Responsibility for the Financial Report**

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

**Auditor's Responsibility**

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

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

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

**Independence**

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

**Auditor's Opinion**

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



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

Liability limited by a scheme approved under Professional Standards Legislation

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

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

PO Box 75  
Henley Beach  
SA 5022

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

Email: [imd1962@bigpond.net.au](mailto:imd1962@bigpond.net.au)