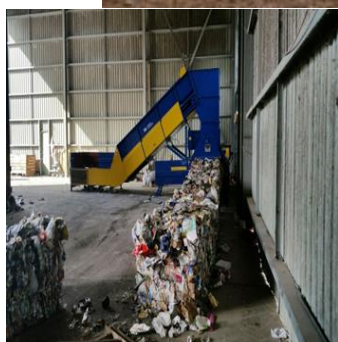




FLEURIEU REGIONAL  
**WASTE AUTHORITY**

## Annual Report - 2017-2018



#### **Photographs Cover-Clockwise**

1. New waste transfer shed – Goolwa Waste and Recycling Depot
2. New baler in action at the Kangaroo Island Resource Recovery Centre
3. Waste collection truck outside new mechanical workshop – Goolwa Waste and Recycling Depot
4. Inside new mechanical workshop – Goolwa Waste and Recycling Depot
5. Recyclable load unloaded in the new waste transfer shed – Goolwa Waste and Recycling Depot

#### **CONSTITUENT COUNCILS:**

Alexandrina Council  
City of Victor Harbor  
District Council of Yankalilla  
Kangaroo Island Council



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## About The Authority

### WHO WE REPRESENT

The Fleurieu Regional Waste Authority (FRWA) was formed by the member councils of the Fleurieu Peninsula in South Australia:

- Alexandrina Council
- City of Victor Harbor
- District Council of Yankalilla
- Kangaroo Island Council

### WHAT WE DO

FRWA provides waste and recycling services on behalf of the four member councils. This includes:

- The operation of four Waste and Recycling Depots,
- The provision of waste, recycling and green waste kerbside collection services,
- Public litter bin collections,
- Event bin provision and collection, and
- The provision of community information and education.

These services are covered by a Service Level Agreement with each Council setting out the key performance indicators that must be achieved and the agreed budgets to deliver the services.

The services are benchmarked against comparable services provided by local government and the private sector.

### OUR HISTORY

In 2007 the Constituent Councils of the Fleurieu Region unanimously adopted the Fleurieu Peninsula Waste Strategy. A key recommendation of the strategy was that if Councils decided to own and operate common assets, then they should establish a Regional Subsidiary pursuant to Section 43 of the SA Local Government Act, 1999.

The Fleurieu Regional Waste Authority (FRWA) was subsequently established as a regional subsidiary.

The FRWA Charter was approved in January 2010 and the second revision was completed and gazetted in November 2016.

### THE FUTURE

An important factor going forward for FRWA is to ensure the region has the necessary strategy, infrastructure and planning in place to meet the legislative requirements under the EPA's Environment Protection (Waste to Resources Policy) and the region's population growth.

Education and promotional programs within the community will continue to remain a high priority with community education being based around:

- Waste avoidance and reduction,
- Reduction of food organics and greenwaste in general waste,
- Recycle right and recycle more, and
- Hazardous waste management.

The Authority is cooperating with neighbouring councils and other waste authorities in South Australia to develop a best-practice approach in sustainable waste and resources management.

The Authority commits to its continued support of local and regional businesses and services as their preferred suppliers where possible.





## Chairperson's Message

I was pleased to be appointed as the Chair of the Board of Management of the

Fleurieu Regional Waste Authority ('FRWA') in December 2017. Accordingly, I have occupied this position for only the second half of the financial year to which this Annual Report relates. However, in that time it has become very clear to me that my fellow Board Members demonstrate commitment, professionalism, knowledge and passion in striving to achieve the best outcomes for FRWA and, in turn, its member councils (Alexandrina, Kangaroo Island, Victor Harbor and Yankalilla) and the communities of those council areas. In saying that, I am also acutely aware of the fact that the looming November local government elections will see a change in the composition of the Board in moving forward into 2019 and beyond. Therefore, I take this opportunity to say a heartfelt 'thank you' to any of the current Board Members who will not be returning after November and to express my appreciation to all of the Board Members for ensuring that my settling in to the role has been seamless and supported.

The Board is, of course, complemented by a dedicated and professional staff led by a committed and insightful Executive Officer and without whom the Board, could not function as effectively as it does. I thank the Executive Officer, the Managers and all other staff of FRWA for their hard work and contributions.

What I have learned in my first six months is that as Australians we are among the world's largest producers of waste, indeed with the exception of the USA, we produce more waste per person per year than any other country. In short, we are a society of high consumers, buoyed by the continuous state of growth around the edges of this major continent. However, we are also becoming more aware of the fact that as community waste

increases, the liveability of those communities decreases. Therefore, it is of particular relevance that at FRWA we have a strong focus on the identification of opportunities to improve and a commitment to community education to assist with the understanding of not only the problems but also of the opportunities and how our communities can work with us in the pursuit of those opportunities and our regional objectives.

The disposal of solid waste general waste from residents and businesses has traditionally involved disposal to landfill. There has, at least until recent times, been a mentality that as waste was taken from our doorsteps and disposed of at landfills, hidden away from community lines of sight; it did not really affect us. That option is now recognised as being dated, unsustainable and, in SA, expensive because of the landfill levy that our communities bear for each tonne of waste disposed to landfill.

I am pleased to be at the start of my journey with FRWA at a time when there is an increasing awareness of the need to focus on sustainable objectives of waste minimisation and waste recovery and recognition, that waste is both an environmental and a resource issue that we must face and address. This is the case not only for the current but also for future generations. The policy decisions we make today will determine the waste future that we face tomorrow and into the next century. One leading example is Sweden where waste to landfill is, essentially, banned and has been for some time. It is currently estimated that 98% of the waste produced in Sweden is reused or recycled. If the Swedes can achieve this level of resourcefulness, so can we.

However, as readers of this Report will be aware, we have (and the rest of the world insofar as it was engaged in sending recyclable materials to China, has) recently experienced the change in Chinese Government policy known as the *China National Sword Policy*. This has seen the stringent enforcement of restrictions on the importation of recyclable materials to the point that our recyclable materials are no longer acceptable in China. However, contrary to the initial country-wide

reaction of this being a type of 'doomsday' scenario, more level-headed thinking is now prevailing and the opportunities that are emerging are exciting in their potential. It is certainly my belief that FRWA will be a leader in this new direction, including by increased levels of appropriate and necessary collaboration with other SA local government waste authorities.

It is against this background that the future in waste is both a challenging and an exciting place. In my opinion, the skills and the mindsets and the commitment are already in place at FRWA and this will ensure that the communities which we represent will be both at the forefront of these issues and adequately protected. In my opinion, FRWA is well placed strategically and financially to continue to deliver and to further develop sustainable waste management solutions for its region in accordance with its vision and it is in this context that I am pleased to submit the Annual Report for the 2018 financial year.

**MICHAEL KELLEDY**  
**CHAIRPERSON, FRWA BOARD OF MANAGEMENT**

## The FRWA Board

FRWA is governed by a nine member Board comprising an Independent Chair to govern and lead the Authority and eight other members, made up of an Elected Member and one Officer from each Constituent Council.



**Independent Chairperson**  
Michael Kellidy



**Simon Grenfell**  
General Manager  
Infrastructure and Assets



**Jim Davis**  
Councillor  
Alexandrina Council



**Glenn Sanford**  
Director Environment &  
Infrastructure  
City of Victor Harbor



**Tim Glazbrook**  
Councillor  
City of Victor Harbor



**Andy Baker**  
Chief Operating Officer  
Operations  
District Council of Yankalilla



**Glen Rowlands**  
Mayor  
District Council of Yankalilla



**John Fernandez**  
Technical Programs Manager  
Kangaroo Island Council



**Peter Denholm**  
Councillor  
Kangaroo Island Council

### BOARD MEETINGS

During the 2017/18 financial year the Board met eight times with each council taking turns in hosting the proceedings. All Board members complied with the statutory requirements.

## Executive Officer's Message

2017/18 was a successful year of solid performance for the Authority. We have been implementing a number of major projects over the past 12 months to improve service delivery in kerbside collections, achieve higher efficiencies in transport as well as in waste and recycling depot operations.

I would like to acknowledge the dedication and good work of the FRWA management team and all FRWA staff and thank the FRWA Board their strategic guidance and excellent support.

### BEST PRACTICE SERVICES

Over the last 12 months total waste generated across the region showed a slight downward trend in Alexandrina Council, City of Victor Harbor and DC Yankalilla and a slight increase for Kangaroo Island Council.

Through its best practice services FRWA achieved a 66% diversion of waste from landfill across the region which follows the trend of previous years and is a 3% increase to the previous financial year.

The Authority formed closer working relationships with other waste authorities in the state to advance activities and programs that will ensure sustainability and resource and cost efficiencies in the way we are managing our waste within the FRWA region and beyond.

In the light of recent changes to the global commodity market for recyclable materials, improved material resource recovery, the development of on-shore processing facilities as well as markets for recycled products is a high priority for the industry sector.

FRWA actively represented the interests of its member councils in addressing those issues and will continue this process through regional and statewide cooperation with local and state government entities, its business partners and the



Waste Management Association of Australia/SA Branch.

### KERBSIDE COLLECTIONS

The Authority continued to provide reliable and cost effective kerbside waste collection services for over 50,000 residential and small business premises across all member councils.

Over the last 12 months we delivered about 1.7 million bin pickups across our region and collected 12,058t of general waste, 4,528t of greenwaste and 4,658t of comingled dry recyclables. The diversion rate of waste away from landfill and into the recycling and greenwaste stream improved by one percent to 43% compared to the results of the previous year.

There have been a number of significant operational changes to kerbside collection services which commenced two years ago with the introduction of fortnightly kerbside collection in Alexandrina Council in July 2016.

In October 2017 **KANGAROO ISLAND COUNCIL** moved to a new kerbside collection system, introducing a green organics bin to 12 townships and coastal settlements on the island for the first time and exchanging 140L for 240L recycling bins to provide appropriate volume to households for the new fortnightly collection schedule. Commercial bins on Kangaroo Island were also exchanged for full colour bodied bins to better identify these customers. Public litter bins have been upgraded and exchanged for the standard 240L maroon bins used across FRWA's mainland collection areas.

Four tourist waste and recycling stations were



installed on popular tourism cross roads or meeting points to offer designated services self-drive tourists for the first time.

Picture 1 - Visitor Recycling and General Waste Station



With the change to the new kerbside system we released the island's first dated and collection specific collection calendar which was distributed to all householders together with the 'Kangaroo Island Recycling and Disposal Guide for Households and Small Businesses'.

Kangaroo Island Council provided subsidized compost equipment to residents and introduced Exceptional Circumstances (EC) bins, providing an additional 140L general waste bin free of charge to those eligible residents for whom fortnightly collection of general waste may cause some hardship.

An island-based education officer was appointed to provide waste education and information at local markets and shows and to present to schools, residents groups and businesses.

Sophie Thomson, of ABC's Gardening Australia held



**Picture 2 - Sophie Thomson, Presenter ABC Gardening Australia**

a series of very popular composting workshops in May 2018, attracting an audience of over 121 residents in Penneshaw, American River, Parndana and Kingscote.

**DISTRICT COUNCIL OF YANKALILLA** followed in the footsteps of Alexandrina Council and Kangaroo Island Council and resolved to introduce a kerbside greenwaste bin for the first time and to move to a fortnightly collection schedule from 1 July 2018. Authority staff assisted council at five community information sessions during May 2018, to inform residents of the upcoming change to kerbside collections and how to make best use of the new system.

In preparation of the start of the new systems over 3,000 green organics bins were delivered to households in May and June 2018. We would like to

acknowledge the fantastic work of local sporting clubs who took up the delivery of all new greenwaste bins to householders.

Council also implemented the system for free of charge Exceptional Circumstances bins to eligible householders and offered a range of composting equipment at subsidized prices.

Three composting workshops were presented by Sophie Thomson during June 2018 with good attendance by an enthusiastic audience.

FRWA would like to take the opportunity to acknowledge the ongoing support through grant funding for composting equipment, kitchen caddies and caddy bags from **GREEN INDUSTRIES SA**.

### **KERBSIDE BIN AUDIT 2017**

Following the audits in 2012 and 2014, FRWA facilitated a bin audit across the four member councils in November 2017.

The audit included domestic and commercial kerbside bins (general waste, recycling and organics) as well as a small sample of public litter bins.



**Picture 3 - KESAB Bin Audit Team**

When compared to results from 2014, the main points to note from the 2017 bin audit were:

- Reduced recyclables in domestic, business and public litter bins (except Kangaroo Island businesses),
- Reduced garden waste in general waste bins (except slight increase in commercial bins),
- Increased compostable food waste, which is a significant component of the recoverable resources, ranging from 42% Kangaroo Island, Domestic to 62% Victor Harbor businesses,
- Increased contamination from general waste in domestic recycling bins for mainland councils

but reduced in mainland business recycling bins,

- Kangaroo Island contamination of recycling bins with general waste reduced in for domestic bins but increased for businesses, and
- Slightly reduced contamination of the domestic organics bins.



**Picture 4 - A clean load of recyclable - Bin Audit 2017**

The findings of the 2017 FRWA audit were not dissimilar to other regions; organic waste (mainly food, often still wrapped/ uneaten) continued to be a major component of the recoverable resources found in the recycling bin and general waste bin from householders, businesses as well as in public litter bins.



**Picture 5 -Uneaten food waste in general waste to landfill - Bin Audit 2017**

Along with disposing recyclables to the general waste bin, the incorrect presentation of otherwise recyclable material was a factor that affected the level of recyclables able to be recovered (e.g. recyclables in plastic).

Confusion over what recoverable materials need to be recovered using specialist services instead of the

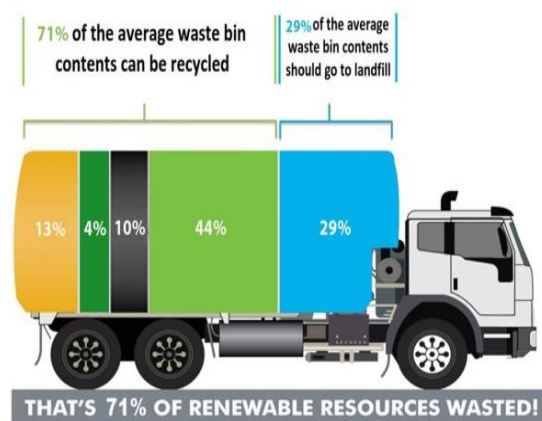
kerbside system also appeared to be a factor (e.g. textiles, E.waste, soft plastics).

Available space in the appropriate domestic bins did not appear to be a limiting factor and the kerbside system.

Fortnightly kerbside collection services for of all waste streams appeared to perform better than 4-weekly, in relation to the weekly equivalent yield for recyclables and organics.

It had been suggested that the 4-weekly collection may deter placement of food waste in green bins potentially due to concerns regarding odour, vermin or hygiene.

However, data showed that although the collection frequency appeared to influence the yield in recycling and green organics bins, it was not reflected in the overall proportion of green waste and organics that is placed in the waste to landfill bin, even when the waste and organics bins were collected on the same day.



**Picture 6 - Kerbside collection truck with percentage split based on 2017 Bin Audits**



Picture 7- Bin tagging team

### BIN TAGGING PROGRAM

Bin tagging is a 101 bin education program for householders. FRWA, with the support of grant funding from Green Industries SA

conducted the first round of bin tagging in

selected areas in Strathalbyn and Mount Compass between April and June 2018. Inspectors undertook weekly visual inspections of kerbside bins in the project areas to gauge how well each household was diverting waste from landfill by using the recycling and the greenwaste bins.

Bins were tagged with 'Thank You' tags for the correct use of the bin, or 'Alert' tags to indicate cross contamination and areas for improvement. Only if waste was not placed in the incorrect bin (for example greenwaste in the recycling bin) or if a bin was used for waste not collected through the kerbside system (e.g. electronic waste) an 'Unacceptable' tag was placed on the bin.



Picture 8 Recycle person made by Strathalbyn family

A 'Recycle' person was made by a Strathalbyn family to greet the bin inspectors. At the conclusion of the program results showed an overall improvement in waste separation. There were variations between the degrees of improvement across the areas

sampled, with the starting points being quite different but all showed a measurable improvement in contamination rates of all 3 waste streams as follows:

- 14.5% less general waste bins containing recyclables
- 12% less recycling bins containing non-recyclables
- 4.5% less green organics bins containing non-compostable items.

2018/19 will see the program continued in other member councils, starting with City of Victor Harbor in September 2018.

**WASTE AND RECYCLING DEPOTS (WRDs)** in Goolwa, Strathalbyn, Yankalilla and Kingscote continued to be hubs of activities to efficiently manage waste and recycling needs for our communities. 56.9% of all waste generated in the FRWA region was managed through WRDs and we achieved a diversion rate of 82.8% of waste from landfill and into various recycling streams across, including of:

- 3,900t of greenwaste processed into mulch,
- 8,900t of rock and inert construction waste processed into road base,
- 1,100t of scrap metal diverted to recyclers,
- 2,018 mattresses (37% increase to 2016/17) stripped with metal springs recovered for recycling,
- 35,000 litres of waste oil (28% increase to 2016/17) collected and diverted to recyclers,
- 616kg of light globes (70% increase to 2016/17),
- 15t batteries (88% increase to 2016/17), and
- 11t of DrumMuster containers diverted to recyclers.

Alexandrina Council largely completed the redevelopment work of the Goolwa Waste and Recycling Depot and since June 2018 the new FRWA office and the gate operations are now co-located at the worksite. Customer service for residents and small businesses transferred to the new layout on 1 July 2018, offering a modern and customer friendly facility for the community with a much improved service.

### Kangaroo Island Resource Recovery Centre

With the assistance of grant funding from Green Industries SA the authority was able to purchase a baler for its Kangaroo Island operations.





**Picture 9 - New baler on KI**

This baler replaced an older model which was not capable of baling kerbside dry recyclables. With the new plant we are now in a position to produce much improved paper and cardboard bales and bale recyclables in readiness for transport to the mainland for processing.



**Picture 10 - KI baler in action**

FRWA continued to offer free **E-WASTE** drop off services in line with the framework set out under the National Computer and Television Scheme.

A total of 85t of E-waste was collected under the National Scheme across three regional drop-off centers, a slight decrease of 4% compared to the tonnages collected during the previous year.

### **COMMUNITY INFORMATION AND EDUCATION**

The Authority continued its successful **EDUCATION AND INFORMATION PROGRAM** to community groups, kindergartens and primary schools. Through the year we delivered a total of 19 presentations to 956 children in childcare centres, kindies and primary schools on the mainland and 12 presentations to 590 children in childcare or at schools on Kangaroo Island.



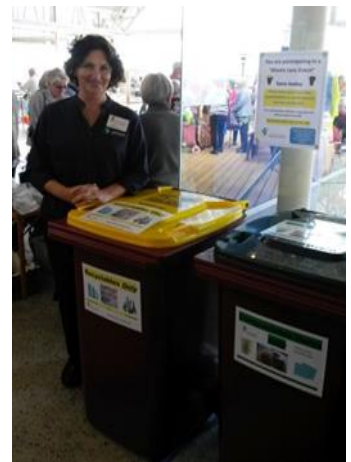
**Picture 11 - FRWA Education Officer for KI, Mary Alice Swan at Penneshaw Kindergarten**

In addition to Sophie Thomson's composting workshops we had information stalls at 3 local markets of which one market day was held as a waste-less event. Including of a presentation to a community group, we achieved a total engagement with over 420 people on the island.

For our mainland council we attended 2 local markets and delivered 8 presentations to various community groups on best practice for recycling and waste reuse.

FRWA's education officer was involved in organizing the first waste-less events with 236 people in attendance.

FRWA's Project Officer assisted with the implementation of the fortnightly kerbside collection on Kangaroo Island and District Council of Yankalilla, with ongoing responsibility for the FRWA website, media promotion and advertising, design and printing of FRWA publications.



**Picture 12 - Tess Sapia, FRWA Education Officer**

### **FRWA'S PEOPLE**

FRWA employs 40 staff of which

- 30% work in kerbside collections,
- 40% in WRD operations, and
- 30% in community education and corporate services.

## **FINANCE AND GOVERNANCE**

The Authority is committed to meeting the highest standards in governance, financial and human resources management.

## **FRWA CHARTER**

FRWA's Charter must be reviewed at least once in every four years and Revision 2 of the Charter was gazette on 17 November 2016.

## **INTERNAL AUDIT COMMITTEE**

The Committee conducted six meetings during the 2017/18 financial year and provided advice and recommendations to the FRWA Board on the Authority's financial performance, the review of core financials controls, policies and procedures and asset management matters.

## **EXTERNAL MANAGEMENT REVIEW**

UHY Haines Norton Chartered Accountants completed quarterly external finance reviews during the financial year.

## **FINANCIAL STATEMENTS**

Nexia Edward Marshall audited the 2017/18 Financial Statements which were provided to all Constituent Councils.

I am pleased to report that the overall performance of the Authority during the 2017/18 financial year meets budget expectations and the Audited Financial Statements for the year have confirmed FRWA's expected results and performance.

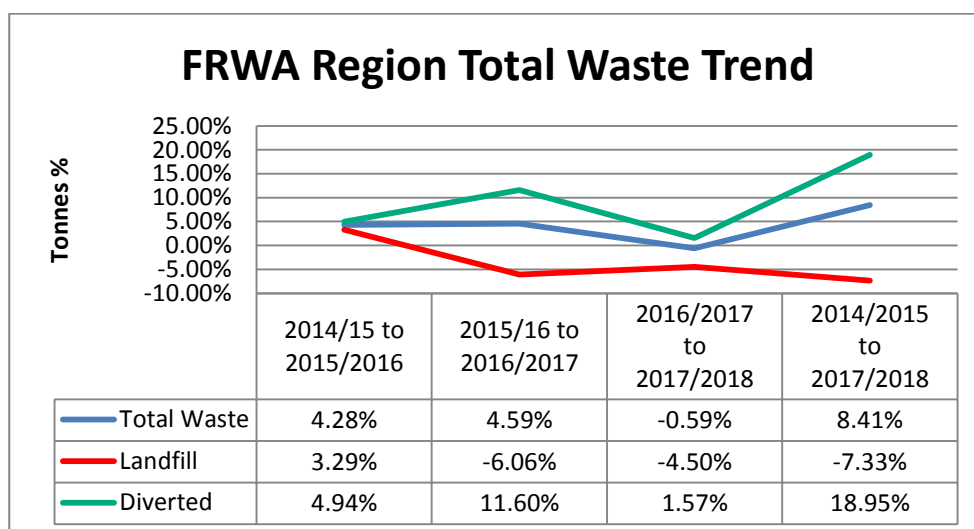
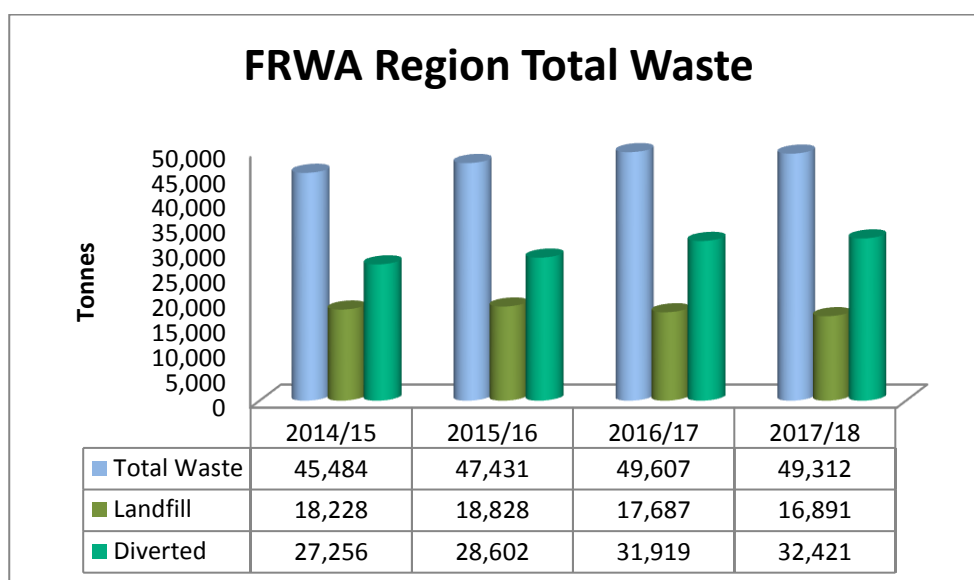
A complete copy of the Audited Financial Statement 2018 forms part of this report.

**MARINA WAGNER**  
**EXECUTIVE OFFICER**

## FRWA Region Waste Statistics 2017/18

Annual Regional Waste by Type	FRWA Region	Alexandrina	City of Victor Harbor	DC Yankalilla	KI Council
	Kerbside & WRDs (t)	3 Bin Kerbside & WRDs (t)	3 Bin Kerbside only (t) **	2 Bin Kerbside & WRD (t)	2 Bin Kerbside/3 Bin Kerbside from 1 October 2017 & WRD (t)
Waste to Landfill	16,891.15	9,136.73	3,679.06	2,204.43	1870.93
Waste Diverted from Landfill	32,420.64	27,325.25	2,408.90	1,079.53	1606.97
Total 2016/17 (MSW, Greenwaste, Recycling Kerbside and WRDs)	49,311.80	36,461.98	6,087.96	3,283.96	3,477.90

## Trends from 2014/15 to 2017/18



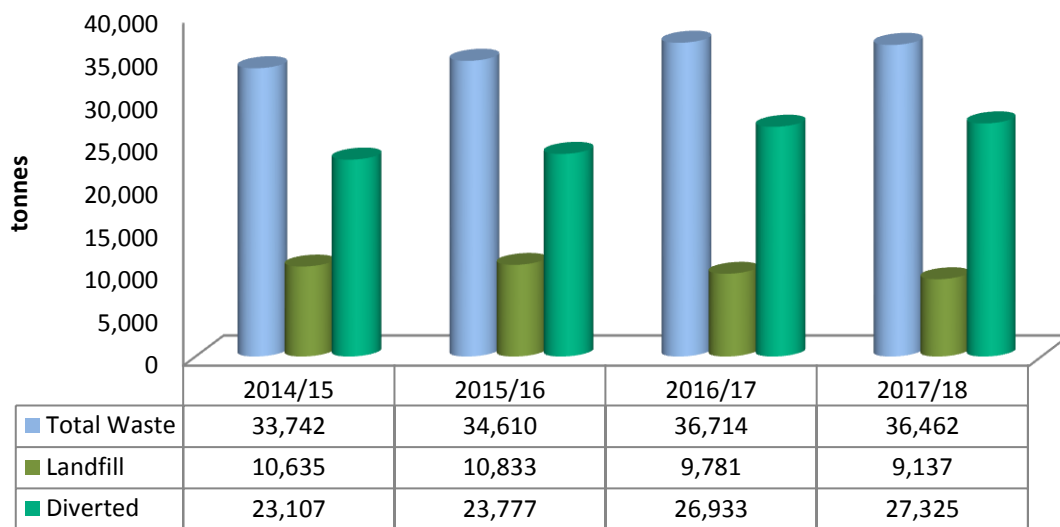
## Waste Statistics 2017/18 per Member Council

	FRWA Region	Alexandrina Council	City of Victor Harbor	District Council of Yankalilla	Kangaroo Island Council
<b>Subtotal Kerbside Waste to Landfill</b>	12,058.41	4,891.90	3,679.06	1,695.13	1792.32
Kerbside Greenwaste	4,528.38	3,085.19	1,247.64		195.55
Kerbside Recyclables	4,658.01	2,590.91	1,161.26	391.44	514.40
<b>Subtotal Kerbside Waste Diverted from Landfill</b>	9,186.39	5,676.10	2,408.90	391.44	709.95
<b>Grand Total Kerbside Waste</b>	<b>21,244.80</b>	<b>10,568.00</b>	<b>6,087.96</b>	<b>2,086.57</b>	<b>2,502.27</b>
<b>Subtotal WRD Waste to landfill</b>	4,832.74	4,244.83		509.30	78.61
Subtotal WRD Waste Diverted from Landfill	23,234.25	21,649.15		688.09	897.02
<b>Grand Total WRD Waste</b>	<b>28,067.00</b>	<b>25,893.98</b>		<b>1,197.39</b>	<b>975.63</b>
<b>Total Waste to Landfill</b>	16,891.15	9,136.73	3,679.06	2,204.43	1870.93
<b>Total Waste Diverted from Landfill</b>	32,420.64	27,325.25	2,408.90	1,079.53	1606.97
<b>Grand Total all Waste Streams</b>	<b>49,311.80</b>	<b>36,461.98</b>	<b>6,087.96</b>	<b>3,283.96</b>	<b>3,477.90</b>

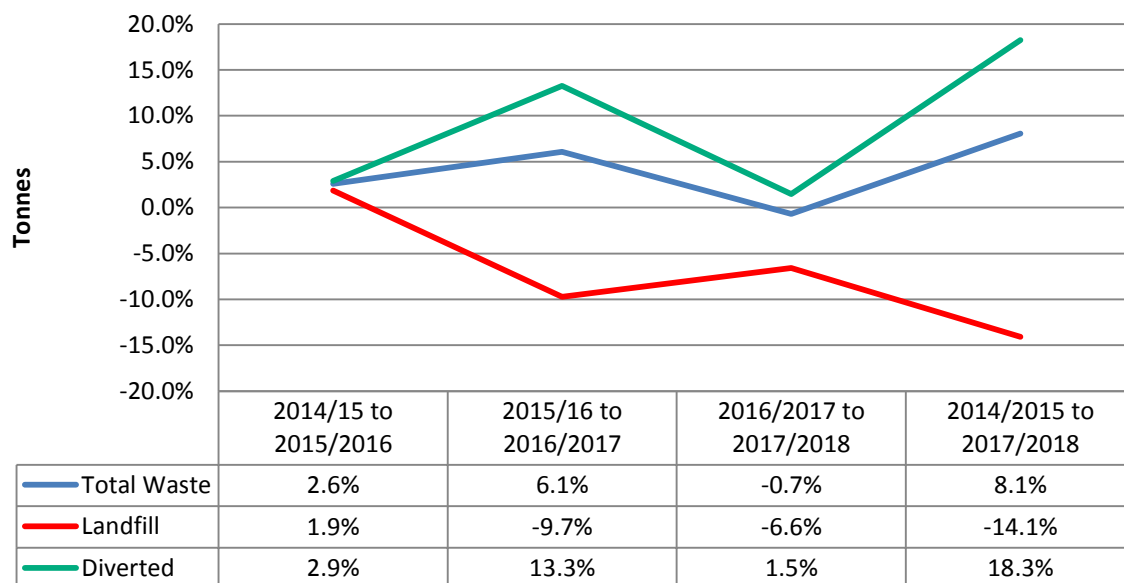
\*The tables above only includes waste streams that are weighed; there are a large range of waste products diverted from landfill not included in the table above which are managed per item, including: mattresses, lounges, fluoro lights, paint, tyres, x-rays, mobile phones and a wide range of salvage items.

## Trends from 2014/15 to 2017/18

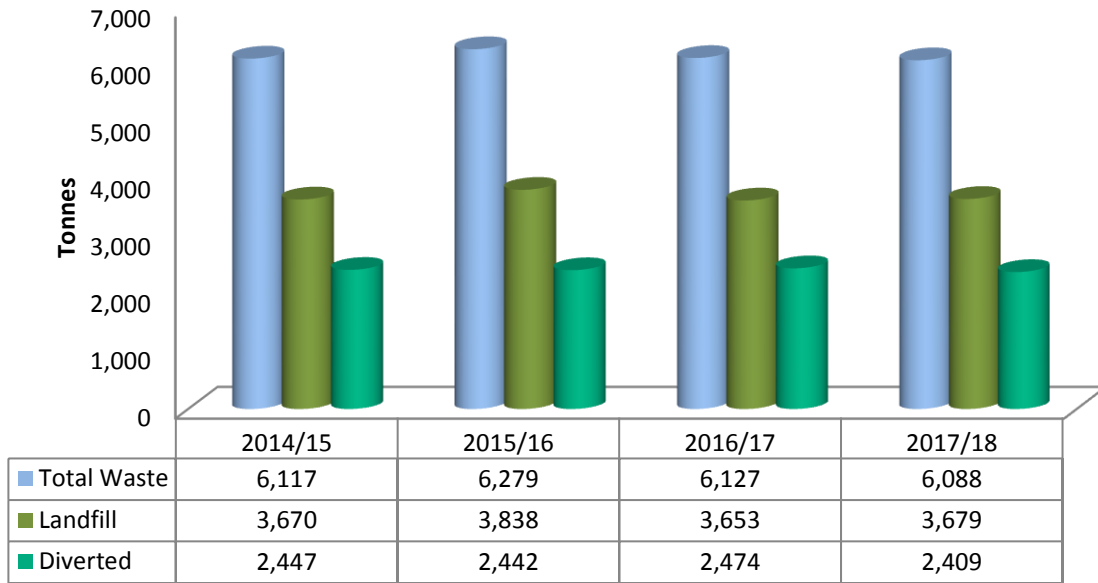
### Alexandrina Council



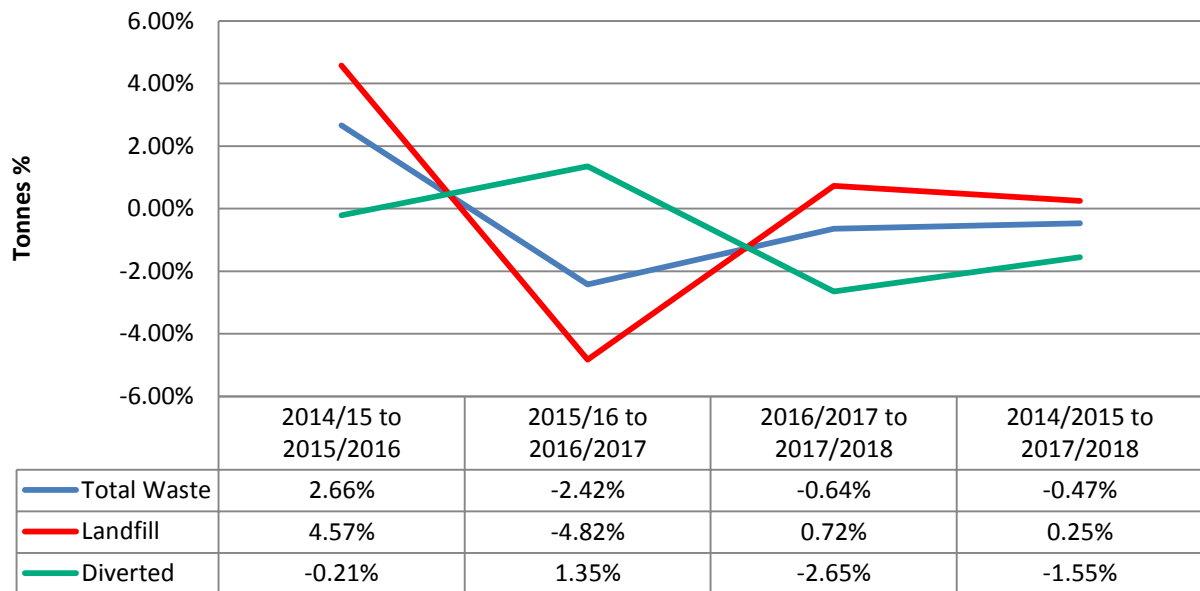
### Alexandrina Council



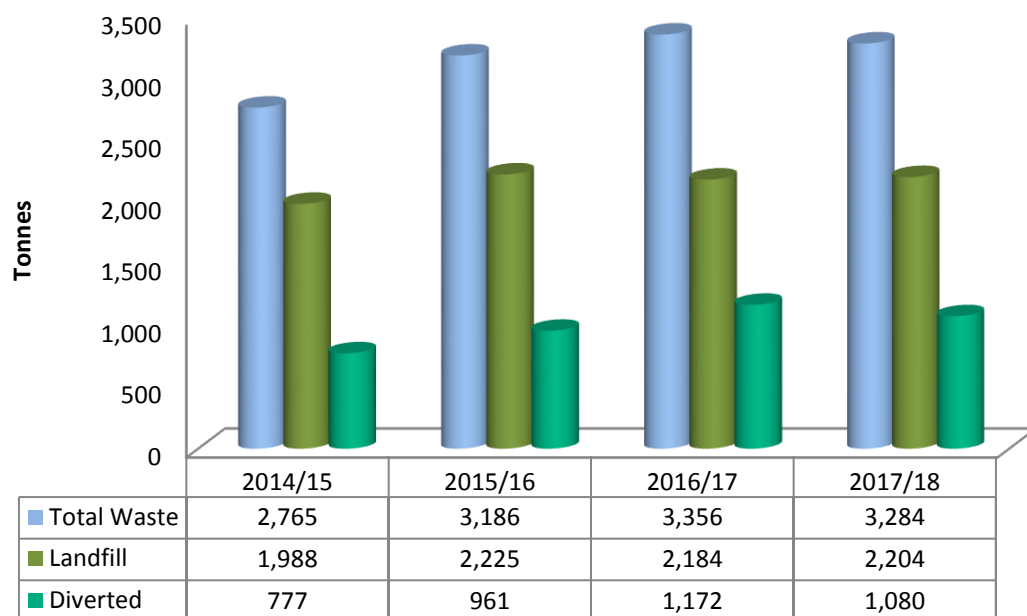
## City of Victor Harbor



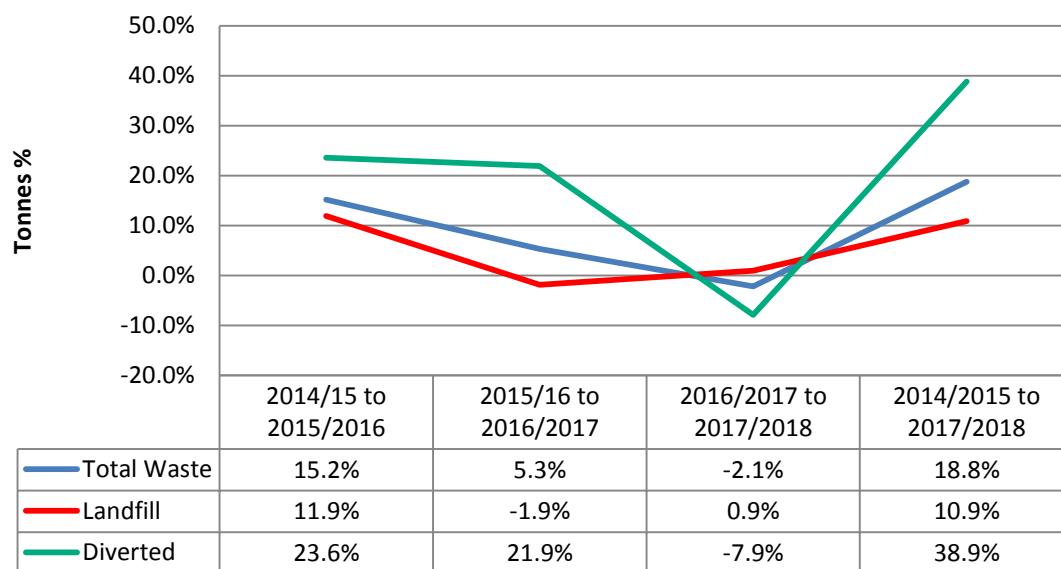
## City of Victor Harbor



## DC Yankalilla

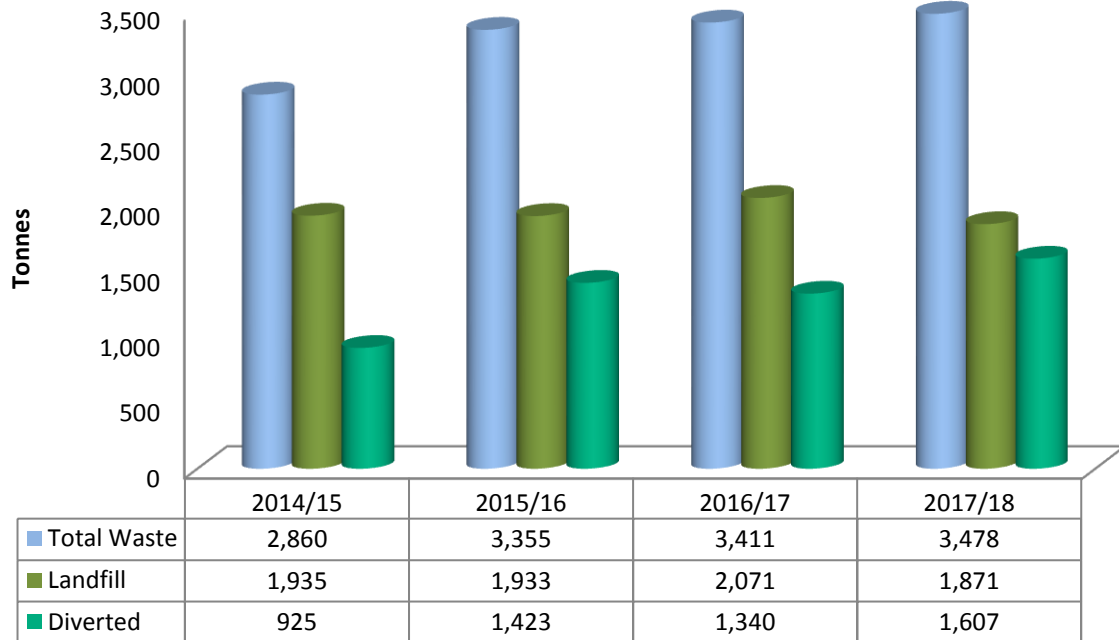


## DC Yankalilla

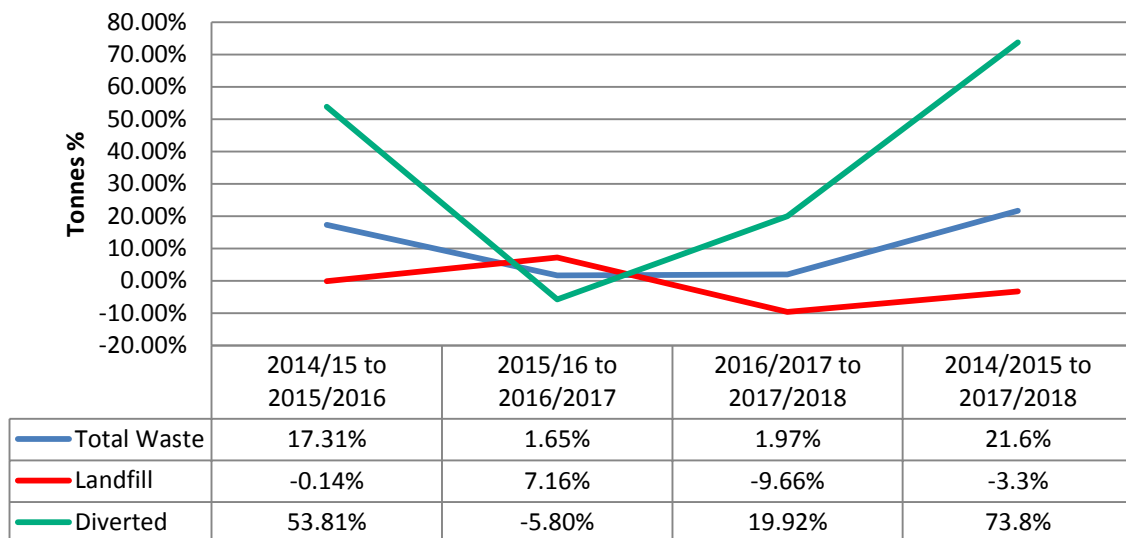




## Kangaroo Island Council

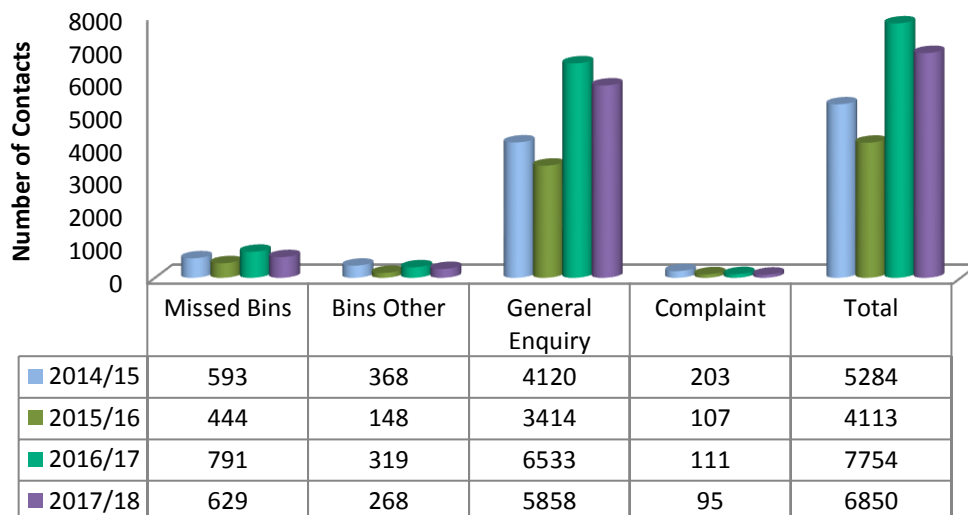


## Kangaroo Island Council



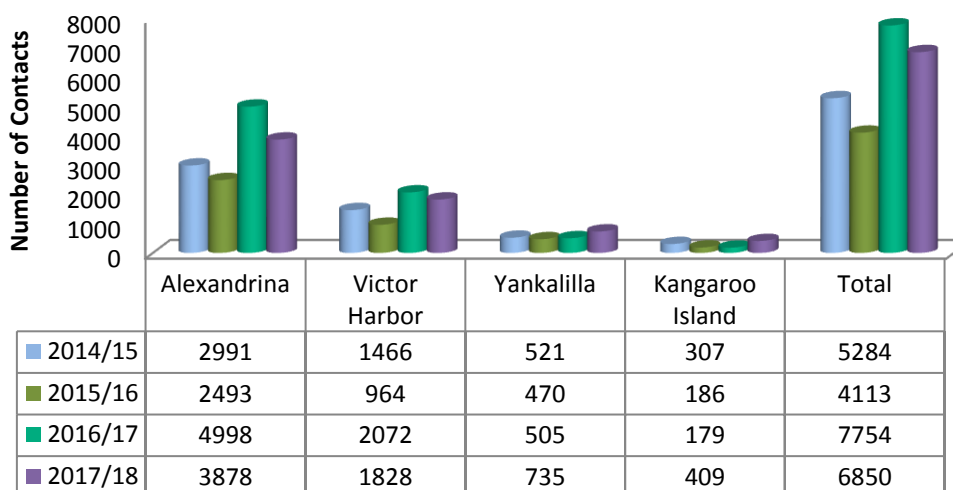
## FRWA Customer Service Contact (Calls, Emails and Letters)

### FRWA Customer Service Calls by Category - 2014/15 to 2017/18



## FRWA Customer Service Contact by Council Area

### Customer Service Calls by Council Area - 2014/15 to 2017/18



# Financial Statements

## 2017-2018

### FLEURIEU REGIONAL WASTE AUTHORITY

#### General Purpose Financial Reports for the year ended 30 June 2018

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<b>Authority Certificate of Audit Independence</b>	
<b>Audit Certificate of Audit Independence</b>	

## FLEURIEU REGIONAL WASTE AUTHORITY




### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2018

#### CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Authority 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 Authority's financial position at 30 June 2018 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.

  
Michael Kelly  
CHAIR OF THE BOARD

  
Marina Wagner  
EXECUTIVE OFFICER

Date: 26 Sep 2018

# FLEURIEU REGIONAL WASTE AUTHORITY

## STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2018

	Notes	2018 \$	2017 \$
<b>INCOME</b>			
User charges	2	7,711,038	7,498,687
Grants, subsidies and contributions	2	116,956	23,000
Investment income	2	2,948	7,539
Reimbursements	2	7,932	13,416
Other income	2	17,524	4,619
<b>Total Income</b>		<u>7,856,398</u>	<u>7,547,261</u>
<b>EXPENSES</b>			
Employee costs	3	2,888,006	2,757,828
Materials, contracts & other expenses	3	4,194,620	3,959,033
Depreciation, amortisation & impairment	3	602,350	699,586
Finance costs	3	84,107	103,666
<b>Total Expenses</b>		<u>7,769,083</u>	<u>7,520,113</u>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>87,315</b>	<b>27,148</b>
Asset disposal & fair value adjustments	4	<u>(1,000)</u>	<u>20,909</u>
<b>NET SURPLUS / (DEFICIT)</b>		<b>86,315</b>	<b>48,057</b>
transferred to Equity Statement			
<b>Other Comprehensive Income</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u><b>86,315</b></u>	<u><b>48,057</b></u>

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

# FLEURIEU REGIONAL WASTE AUTHORITY

## STATEMENT OF FINANCIAL POSITION as at 30 June 2018

	Notes	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	622,770	937,241
Trade & other receivables	5	323,005	204,944
Inventories	5	125,195	7,528
<b>Total Current Assets</b>		<u>1,070,970</u>	<u>1,149,713</u>
<b>Non-current Assets</b>			
Infrastructure, property, plant & equipment	6	2,781,701	2,357,347
<b>Total Non-current Assets</b>		<u>2,781,701</u>	<u>2,357,347</u>
<b>Total Assets</b>		<u>3,852,671</u>	<u>3,507,060</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	7	1,009,656	839,598
Borrowings	7	495,270	602,029
Provisions	7	111,151	235,278
Other current liabilities	8	195,312	37,372
		<u>1,811,389</u>	<u>1,714,277</u>
<b>Total Current Liabilities</b>		<u>1,811,389</u>	<u>1,714,277</u>
<b>Non-current Liabilities</b>			
Borrowings	10	1,161,470	980,200
Provisions	7	71,117	90,203
<b>Total Non-current Liabilities</b>		<u>1,232,587</u>	<u>1,070,403</u>
<b>Total Liabilities</b>		<u>3,043,976</u>	<u>2,784,680</u>
<b>NET ASSETS</b>		<u>808,695</u>	<u>722,380</u>
<b>EQUITY</b>			
Accumulated Surplus		808,695	722,380
<b>TOTAL EQUITY</b>		<u>808,695</u>	<u>722,380</u>

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

# FLEURIEU REGIONAL WASTE AUTHORITY

## STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2018

		Accumulated Surplus	TOTAL EQUITY
2018	Notes	\$	\$
Balance at end of previous reporting period		722,380	722,380
<b>Net Surplus / (Deficit) for Year</b>		<b>86,315</b>	<b>86,315</b>
<b>Other Comprehensive Income</b>			
<b>Balance at end of period</b>		<b>808,695</b>	<b>808,695</b>
2017			
Balance at end of previous reporting period		674,323	674,323
<b>Net Surplus / (Deficit) for Year</b>		<b>48,057</b>	<b>48,057</b>
<b>Other Comprehensive Income</b>			
<b>Balance at end of period</b>		<b>722,380</b>	<b>722,380</b>

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



# FLEURIEU REGIONAL WASTE AUTHORITY

## STATEMENT OF CASH FLOWS for the year ended 30 June 2018

	Notes	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts</u>			
User charges		7,729,013	7,516,040
Investment receipts		6,381	5,867
Grants utilised for operating purposes		116,956	23,000
Reimbursements		7,932	13,415
Other revenues		14,091	4,619
<u>Payments</u>			
Employee costs		(2,888,006)	(2,689,955)
Materials, contracts & other expenses		(4,263,537)	(4,002,637)
Finance payments		(84,107)	(119,009)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>638,723</b>	<b>751,340</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Sale of replaced assets		7,000	20,909
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(758,323)	(362,951)
Expenditure on new/upgraded assets		(276,382)	(60,191)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(1,027,705)</b>	<b>(402,233)</b>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
Proceeds from borrowings		721,722	-
<u>Payments</u>			
Repayments of borrowings		(647,211)	(567,007)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>74,511</b>	<b>(567,007)</b>
<b>Net Increase (Decrease) in cash held</b>		<b>(314,471)</b>	<b>(217,900)</b>
 Cash & cash equivalents at beginning of period	9	<b>937,241</b>	1,155,141
<b>Cash &amp; cash equivalents at end of period</b>	9	<b>622,768</b>	937,241

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

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### 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 26<sup>th</sup> September 2018.

##### 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 the Authority'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 Fleurieu Regional Waste Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 1226 Port Elliot Road, Goolwa South Australia 5214. These financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

### 3 Income recognition

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

## **Fleurieu Regional Waste Authority**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS** for the year ended 30 June 2018

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

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

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 10.

##### **5 Inventories**

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

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

###### **6.1 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 Authority 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.

###### **6.2 Materiality**

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Authority 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 6.

###### **6.3 Subsequent Recognition**

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

###### **6.4 Depreciation of Non-Current Assets**

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Authority, 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.



## **Fleurieu Regional Waste Authority**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS** for the year ended 30 June 2018

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

##### **6.5 Impairment**

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets carried at fair value whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, are not assessed for impairment.

Other 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).

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

#### **7 Payables**

##### **7.1 Goods & 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 are recognised as liabilities until the service is delivered or the amount is refunded as the case may be.

#### **8 Borrowings**

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

#### **9 Employee Benefits**

##### **9.1 Salaries, Wages & Compensated Absences**

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based 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 employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as Authority 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 Authority does not make payment for untaken sick leave.

## **Fleurieu Regional Waste Authority**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

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

##### **9.2 Superannuation**

The Authority makes employer superannuation contributions in respect of its employees to the employees' nominated superannuation fund. No changes in accounting policy have occurred during either the current or previous reporting periods.

##### **10 GST Implications**

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

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

##### **11 Pending Accounting Standards**

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2018 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 16	Leases
AASB 1058	Income of Not-for-Profit Entities

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

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

*Authority is of the view that other than AASB 16 and AASB 1058, 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.*

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

Accounting Standard AASB 1058 *Income of Not-for-Profit Entities* may have a material effect on the amounts disclosed in these reports, particularly in relation to the timing of revenues from grants & subsidies, but does not commence until the 2019/20 financial period, and it is not the Authority's intention to adopt this Standard early.

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 2 - INCOME

	Notes	2018 \$	2017 \$
<b>USER CHARGES</b>			
Waste Disposal Operations		<u>7,711,038</u>	<u>7,498,687</u>
		<u>7,711,038</u>	<u>7,498,687</u>
<b>INVESTMENT INCOME</b>			
Interest on investments			
Banks & other		<u>2,948</u>	<u>7,539</u>
		<u>2,948</u>	<u>7,539</u>
<b>REIMBURSEMENTS</b>			
- other		<u>7,932</u>	<u>13,415</u>
		<u>7,932</u>	<u>13,415</u>
<b>OTHER INCOME</b>			
Sundry		<u>17,524</u>	<u>4,619</u>
		<u>17,524</u>	<u>4,619</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Other grants, subsidies and contributions		<u>116,956</u>	<u>23,000</u>
		<u>116,956</u>	<u>23,000</u>
<b>Sources of grants</b>			
State government		<u>116,956</u>	<u>23,000</u>
		<u>116,956</u>	<u>23,000</u>
<b>Conditions over grants &amp; contributions</b>			
<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>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions:</i>			
Plant & Equipment		<u>90,000</u>	<u>-</u>
Unexpended at the close of this reporting period		<u><u>90,000</u></u>	<u><u>-</u></u>

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 3 - EXPENSES

	Notes	2018 \$	2017 \$
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		2,419,042	2,328,205
Employee leave expense		58,080	63,675
Superannuation		212,778	209,534
Superannuation - defined benefit plan contributions	15	6,108	6,087
Workers' Compensation Insurance		146,159	108,248
Other		45,839	42,079
<b>Total Operating Employee Costs</b>		<b>2,888,006</b>	<b>2,757,828</b>
<b>Total Number of Employees</b>		<b>32</b>	<b>35</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		10,020	9,870
- Auditing of Internal Controls		1,930	1,900
Board members' expenses		20,246	24,857
Operating Lease Rentals - non-cancellable leases			
- minimum lease payments		25,890	26,887
<b>Subtotal - Prescribed Expenses</b>		<b>58,086</b>	<b>63,514</b>
<u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		969,040	822,294
Energy		564,568	564,382
Waste disposal		1,603,844	1,527,724
Maintenance		362,255	371,108
Legal expenses		43,567	27,846
Parts, accessories & consumables		150,480	134,209
Professional services		59,718	60,329
Sundry		383,062	387,627
<b>Subtotal - Other materials, contracts &amp; expenses</b>		<b>4,136,534</b>	<b>3,895,519</b>
		<b>4,194,620</b>	<b>3,959,033</b>
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Plant, machinery & equipment		602,350	699,586
		<b>602,350</b>	<b>699,586</b>
<b>FINANCE COSTS</b>			
Interest on loans		84,107	103,666
		<b>84,107</b>	<b>103,666</b>



# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

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

	2018	2017
Notes	\$	\$
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	7,000	20,909
Less: Carrying amount of assets sold	<u>(8,000)</u>	<u>-</u>
<b>Gain (Loss) on disposal</b>	<u><b>(1,000)</b></u>	<u><b>20,909</b></u>
 <b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>	 <u><b>(1,000)</b></u>	 <u><b>20,909</b></u>

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 5 - CURRENT ASSETS

	2018	2017
	Notes	
<b>CASH &amp; EQUIVALENT ASSETS</b>	<b>\$</b>	<b>\$</b>
Cash on Hand and at Bank	269,510	261,421
Deposits at Call	353,260	675,820
	<u>622,770</u>	<u>937,241</u>
 <b>TRADE &amp; OTHER RECEIVABLES</b>		
Debtors - general	294,425	154,460
Prepayments	28,580	50,484
Total	<u>323,005</u>	<u>204,944</u>
 <i>Amounts included in receivables that are not expected to be received within 12 months of reporting date.</i>	-	-
 <b>INVENTORIES</b>		
Stores & Materials	125,195	7,528
	<u>125,195</u>	<u>7,528</u>

## FLEURIEU REGIONAL WASTE AUTHORITY

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

#### Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	Fair Value Level	2017 \$				2018 \$			
		AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Buildings & Other Structures	-	-	3,181	(3,181)	-	-	3,181	(3,181)	-
Plant, machinery & equipment	-	-	5,512,719	(3,155,372)	2,357,347	-	6,500,239	(3,718,538)	2,781,701
Office Equipment, Furniture & Fittings	-	-	20,634	(20,634)	-	-	20,634	(20,634)	-
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	-	-	5,536,534	(3,179,187)	2,357,347	-	6,524,054	(3,742,353)	2,781,701
<b>Comparatives</b>	-	-	5,228,537	(2,594,747)	2,633,790	-	5,536,534	(3,179,187)	2,357,347

*This Note continues on the following pages.*

## FLEURIEU REGIONAL WASTE AUTHORITY

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

#### Note 6 (cont.) - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2017	CARRYING AMOUNT MOVEMENTS DURING YEAR							2018	
	\$	\$							\$	
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	CARRYING AMOUNT
		New/Upgrade	Renewals				In	Out		
Plant, machinery & equipment	2,357,347	276,382	758,323	(8,000)	(602,350)	-	-	-	-	2,781,701
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	2,357,347	276,382	758,323	(8,000)	(602,350)	-	-	-	-	2,781,701
Comparatives	2,633,790	60,514	362,951	(322)	(699,586)	-	-	-	-	2,357,347

*This Note continues on the following pages.*

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 6 (cont.) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

#### Buildings & Other Structures

Buildings and other structures are recognised on a cost basis.

#### Plant, Furniture & Equipment

These assets are recognised on a cost basis.

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

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Buildings - new construction/extensions	\$5,000

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

Plant, Furniture & Equipment	3 to 20 years
Building & Other Structures	30 to 80 years

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 7 - LIABILITIES

		2018		2017	
		\$		\$	
<b>TRADE &amp; OTHER PAYABLES</b>	Notes	Current	Non-current	Current	Non-current
Goods & Services		<b>481,194</b>		390,483	
Accrued expenses - employee entitlements		<b>352,200</b>	-	311,310	-
Accrued expenses - other		<b>74,638</b>	-	91,599	-
Revenue Received in Advance		<b>95,475</b>	-	41,307	-
Other		<b>6,149</b>	-	4,896	-
		<b><u>1,009,656</u></b>	<b><u>-</u></b>	<b><u>839,598</u></b>	<b><u>-</u></b>
<b>BORROWINGS</b>					
Loans		<b>495,270</b>	<b>1,161,470</b>	602,029	980,200
		<b><u>495,270</u></b>	<b><u>1,161,470</u></b>	<b><u>602,029</u></b>	<b><u>980,200</u></b>
<i>All interest bearing liabilities are secured over the future revenues of the Authority</i>					
<b>PROVISIONS</b>					
Employee entitlements (including oncosts)		<b>111,151</b>	<b>71,117</b>	41,400	90,203
Other		-	-	193,878	-
		<b><u>111,151</u></b>	<b><u>71,117</u></b>	<b><u>235,278</u></b>	<b><u>90,203</u></b>

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 8 - OTHER CURRENT LIABILITIES

	2018 \$	2017 \$
<b>OTHER</b>		
Notes		
Deferred gate sales	195,312	37,372
	<u>195,312</u>	<u>37,372</u>

*Revenue received from gate takings associated with rock to be crushed at a later date is quarantined as an other liability until such time as it is utilised for crushing expenditure.*



# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 9 - 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	2018 \$	2017 \$
Total cash & equivalent assets	5	<u>622,770</u>	<u>937,241</u>
Balances per Cash Flow Statement		<u>622,770</u>	<u>937,241</u>

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

Net Surplus (Deficit)	86,315	48,057
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	602,350	699,586
Net increase (decrease) in unpaid employee benefits	(19,086)	34,707
Net (Gain) Loss on Disposals	1,000	(20,909)
	<u>670,579</u>	<u>761,441</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(118,061)	92,126
Net (increase) decrease in inventories	(117,667)	22,640
Net increase (decrease) in trade & other payables	170,059	(80,945)
Net increase (decrease) in other provisions	(124,127)	28,727
Net increase (decrease) in other liabilities	157,940	(72,649)
<b>Net Cash provided by (or used in) operations</b>	<u>638,723</u>	<u>751,340</u>

**(c) Financing Arrangements**

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

Corporate Credit Cards	10,000	10,000
LGFA Cash Advance Debenture facility	500,000	500,000

**(d) Changes in Liabilities Arising from Financing Activities**

	Cash flows	Non cash flows	
	1 July 2017	Re-classificaton	30 June 2018
Short term borrowings	602,029	(587,595)	480,836
Long term borrowings	980,200	662,106	(480,836)
<b>Total</b>	<u>1,582,229</u>	<u>74,511</u>	<u>-</u>
			<u>1,656,740</u>

## FLEURIEU REGIONAL WASTE AUTHORITY

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

#### Note 10 - 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> Deposits are returning fixed interest rates between 0.05% and 0.50% (2017: 0.10% and 1.75%).</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 Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</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 Authority.</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>
<b>Liabilities - Interest Bearing Borrowings</b>	<p><b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable in six monthly instalments; interest is charged at variable rates between 4.00% and 6.65% (2017: 4.45% and 6.65%)</p> <p><b>Carrying amount:</b> approximates fair value.</p>

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 10 (cont) - FINANCIAL INSTRUMENTS

#### Liquidity Analysis

2018	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	622,770	-	-	622,770	622,770
Receivables	294,425	-	-	294,425	323,005
<b>Total</b>	<b>917,195</b>	<b>-</b>	<b>-</b>	<b>917,195</b>	<b>945,775</b>
<b>Financial Liabilities</b>					
Payables	582,818	-	-	582,818	582,818
Current Borrowings	561,499	-	-	561,499	495,270
Non-Current Borrowings	-	1,103,730	178,847	1,282,577	1,161,470
<b>Total</b>	<b>1,144,317</b>	<b>1,103,730</b>	<b>178,847</b>	<b>2,426,894</b>	<b>2,239,558</b>

2017	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	937,241	-	-	937,241	937,241
Receivables	145,052	-	-	145,052	204,944
<b>Total</b>	<b>1,082,293</b>	<b>-</b>	<b>-</b>	<b>1,082,293</b>	<b>1,142,185</b>
<b>Financial Liabilities</b>					
Payables	436,686	-	-	436,686	436,689
Current Borrowings	675,728	-	-	675,728	602,029
Non-Current Borrowings	-	1,056,031	-	1,056,031	980,200
<b>Total</b>	<b>1,112,414</b>	<b>1,056,031</b>	<b>-</b>	<b>2,168,445</b>	<b>2,018,918</b>

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

	30 June 2018		30 June 2017	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	4.63	1,656,740	5.46	1,582,230
		<u>1,656,740</u>		<u>1,582,230</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 Authority.

#### 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 Authority is the carrying amount, net of any allowance for doubtful debts. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 in relation to individual classes of receivables, exposure is concentrated within the Authority'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 Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

**Liquidity Risk** is the risk that the Authority 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. The Authority 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. The Authority 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.

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 11 - COMMITMENTS FOR EXPENDITURE

	2018	2017
<u>Notes</u>	\$	\$
<b>Other Expenditure Commitments</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Kangaroo Island MGB Replacement	-	275,000
Board & Employee Remuneration Contracts	<b>408,218</b>	576,280
Maintenance Contracts	-	24,000
	<u><b>408,218</b></u>	<u>875,280</u>
These expenditures are payable:		
Not later than one year	<b>211,374</b>	487,063
Later than one year and not later than 5 years	<b>196,844</b>	388,217
Later than 5 years	-	-
	<u><b>408,218</b></u>	<u>875,280</u>

Kangaroo Island Council provide MGB's for residents and small commercial operations and provision for replacement of these bins on the island has been accrued since 2011. This amount was spent in full during the 2017/18 year with the change to fortnightly waste collection on the island and replacement of existing MGB's for residents and small businesses under the kerbside collection system.

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 12 - FINANCIAL INDICATORS

	2018	2017	2016
--	------	------	------

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

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

#### Operating Surplus Ratio

<u>Operating Surplus</u>	1.1%	0.0%	0.0%
Total Operating Income			

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

#### Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	27%	22%	28%
Total Operating Income			

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

#### Adjustments to Ratios

*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. These **Adjusted Ratios** correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.*

<b>Adjusted Operating Surplus Ratio</b>	1.1%	0.0%	0.0%
<b>Adjusted Net Financial Liabilities Ratio</b>	27%	22%	28%

#### Asset Sustainability Ratio

<u>Net Asset Renewals</u>	99%	87%	95%
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.*



# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 13 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2018 \$	2017 \$
Income	7,856,398	7,547,261
Expenses	(7,769,083)	(7,520,113)
<b>Operating Surplus / (Deficit)</b>	<b>87,315</b>	<b>27,148</b>
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	758,323	362,951
Add back Depreciation, Amortisation and Impairment	(602,350)	(699,586)
Proceeds from Sale of Replaced Assets	(7,000)	(20,909)
	<b>148,973</b>	<b>(357,544)</b>
<b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets	276,382	60,191
	<b>276,382</b>	<b>60,191</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(338,040)</b>	<b>324,501</b>



# **FLEURIEU REGIONAL WASTE AUTHORITY**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

### **Note 14 - OPERATING LEASES**

#### ***Lease payment commitments of the Authority***

The Authority had entered into a non-cancellable operating lease for office premises in Goolwa that ended on 30th June 2018.

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

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Not later than one year	-	26,000
	<u>-</u>	<u>26,000</u>

The Authority is currently negotiating a lease agreement for office and workshop premises at Goolwa with Alexandrina Council. This leasing arrangement had not been finalised as at signing of these financial statements.

# **FLEURIEU REGIONAL WASTE AUTHORITY**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS** **for the year ended 30 June 2018**

### **Note 15 – SUPERANNUATION**

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

#### **Accumulation only Members**

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2017/18; 9.50% in 2016/17). No further liability accrues to the Authority 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 Authority makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2016/17) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. 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 Authority's contribution rates at some future time.

#### **Contributions to Other Superannuation Schemes**

The Authority 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 Authority.

## **FLEURIEU REGIONAL WASTE AUTHORITY**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

#### **Note 16 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION**

At times there are contingencies, assets and liabilities that do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to the user of the financial report in making and evaluating decisions about the allocation of scarce resources. From our knowledge there are no known contingencies, assets or liabilities that should be disclosed that have not been included in the balance sheet.

# **FLEURIEU REGIONAL WASTE AUTHORITY**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

### **Note 17 - RELATED PARTY DISCLOSURES**

#### **KEY MANAGEMENT PERSONNEL**

The Key Management Personnel of the Authority include the Independent Board Chair, External Member of the Internal Audit Committee and Executive Officer under section 112 of the Local Government Act 1999. In all, three persons were paid the following total compensation:

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Salaries, allowances & other short term benefits	163,422	162,832
Post-employment benefits	17,883	17,362
Long term benefits	4,902	4,644
Termination benefits	-	-
<b>TOTAL</b>	<b>186,207</b>	<b>184,838</b>

## **FLEURIEU REGIONAL WASTE AUTHORITY**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

#### **Note 18 - EVENTS OCCURING AFTER REPORTING DATE IN THE BALANCE SHEET**

There are no events subsequent to 30 June 2018 that need to be disclosed in the financial statements.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY**

***Opinion***

We have audited the financial report of Fleurieu Regional Waste Authority, which comprises the Statement of Financial Position as at 30 June 2018, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of Fleurieu Regional Waste Authority as at 30 June 2018, and 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 and the Local Government (Financial Management) Regulations 2011.

***Basis for Opinion***

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

***Other Information***

The Board are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

***Board's Responsibility for the Financial Report***

The Board of Fleurieu Regional Waste Authority are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011. The Board's responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report so that it 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.

In preparing the financial report, the Board of Fleurieu Regional Waste Authority are responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Management either intends to liquidate the association or to cease operations, or have no realistic alternative but to do so.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY (CONT)**

***Auditor's Responsibilities for the Audit of the Financial Report***

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fleurieu Regional Waste Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Nexia Edwards Marshall  
Chartered Accountants



Jamie Dreckow  
Partner

Adelaide, South Australia  
Dated: 26 September 2018

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## FLEURIEU REGIONAL WASTE AUTHORITY



### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2018

#### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2018, the Authority's Auditor, Edwards Marshall, 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*.

Michael Kelledy  
CHAIR OF THE BOARD  
Fleurieu Regional Waste Authority

PRESIDING MEMBER  
AUDIT COMMITTEE  
Subsidiary is exempt from the  
requirements for an external audit  
committee

Date: 10/9/18

## FLEURIEU REGIONAL WASTE AUTHORITY

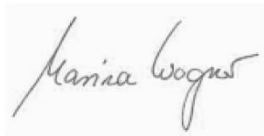


### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2018

#### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2018, the Authority's Auditor, Nexia Edwards Marshall, 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*.



.....  
Marina Wagner  
**EXECUTIVE OFFICER**  
Fleurieu Regional Waste Authority

**PRESIDING MEMBER  
AUDIT COMMITTEE**  
Subsidiary is exempt from the  
requirements for an external audit  
committee

Date: 23<sup>rd</sup> August 2018

## FLEURIEU REGIONAL WASTE AUTHORITY



### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2018

#### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2018, the Authority's Auditor, Nexia Edwards Marshall, 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*.



.....  
Glenn Rappensberg  
**CHIEF EXECUTIVE OFFICER**  
Alexandrina Council

**PRESIDING MEMBER  
AUDIT COMMITTEE**  
Subsidiary is exempt from the  
requirements for an external audit  
committee

Date: 27 / 8 / 2018

## FLEURIEU REGIONAL WASTE AUTHORITY



### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2018

#### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2018, the Authority's Auditor, Nexia Edwards Marshall, 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*.



.....  
Victoria MacKirdy  
**CHIEF EXECUTIVE OFFICER**  
City of Victor Harbor

**PRESIDING MEMBER  
AUDIT COMMITTEE**  
Subsidiary is exempt from the  
requirements for an external audit  
committee

Date: 6 September 2018



## FLEURIEU REGIONAL WASTE AUTHORITY

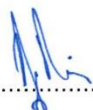


### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2018

#### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2018, the Authority's Auditor, Nexia Edwards Marshall, 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*.



.....  
Nigel Morris  
**CHIEF EXECUTIVE OFFICER**  
District Council of Yankalilla

**PRESIDING MEMBER  
AUDIT COMMITTEE**  
Subsidiary is exempt from the  
requirements for an external audit  
committee

Date: 23rd August 2018

## FLEURIEU REGIONAL WASTE AUTHORITY



### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2018

#### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2018, the Authority's Auditor, Nexia Edwards Marshall, 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*.



Andrew Boardman **CHIEF  
EXECUTIVE OFFICER**  
Kangaroo Island Council

**PRESIDING MEMBER  
AUDIT COMMITTEE**  
Subsidiary is exempt from the  
requirements for an external audit  
committee

Date: 24 August 2018

**FLEURIEU REGIONAL WASTE AUTHORITY  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**STATEMENT BY AUDITOR**

I confirm that, for the audit of the financial statements of Fleurieu Regional Waste Authority for the year ended 30 June 2018, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board and in accordance with the *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*.



Nexia Edwards Marshall  
Chartered Accountants



Jamie Dreckow  
Partner

Adelaide  
South Australia

27 August 2018

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Fleurieu Regional Waste Authority

