EASTERN HEALTH AUTHORITY

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2010

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Eastern Health Authority for the year ended 30 June 2010, the Authority’s Auditor, Dean Newbery & Partners, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) Local Government (Financial Management) Regulations 1999.

...........................................................
Mark Goldstone
CHIEF EXECUTIVE OFFICER
City of Prospect

Date: 6/8/2010
EASTERN HEALTH AUTHORITY

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2010

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Eastern Health Authority for the year ended 30 June 2010, the Authority’s Auditor, Dean Newbery & Partners, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) Local Government (Financial Management) Regulations 1999.

..........................................................
Kiki Magro
CHIEF EXECUTIVE OFFICER
Corporation of the Town of Walkerville

Date: 18 August 2010
Auditor’s Independence Declaration Under Section 16A of the Local Government (Financial Management) Regulations 1999 to the Eastern Health Authority

I confirm that, for the audit of the financial statements of the Eastern Health Authority for the year ended 30 June 2010, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

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

Samantha Allard
Partner

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS
214 MELBOURNE STREET
NORTH ADELAIDE SA 5006

NORTH ADELAIDE, this 19th day of August 2010
CHAIRMAN’S REPORT

This is my first report as Chairman of East Waste. The Board elected me in January this year after the resignation of Cr Justin Lang as the Chairman of East Waste and the Campbelltown Council representative. I would like to thank Justin for his commitment and excellent work during his term as Chair of East Waste.

Other changes to the Board during the year included the appointment of Mr Bill Cossey as an Independent nomination representing the Adelaide Hills Council. Mr Mario Barone, CEO of Norwood, Payneham & St Peters Council, was appointed to represent his Council. These new representatives have taken over from Mr Peter Peppin, CEO of Adelaide Hills Council, and Mayor Robert Bria, from Norwood, Payneham & St Peters. I would like to express the Board’s appreciation to both these former Board Members for their contribution to East Waste.

In November last year, the General Manager of East Waste resigned and the Board appointed Trevor Hockley as the Acting General Manager. Trevor has extensive experience in Local Government waste management and the Board set a series of priorities to be implemented consistent with the Annual Business Plan of East Waste.

The Board of East Waste has worked with Member Councils and the Management of East Waste to address these priorities as summarised below:

The Charter has been reviewed and substantially agreed to by Member Councils. There are some minor drafting amendments to be made and further consultation required on the membership of the Board. The Mayors of Member Councils are working together to find a compromise so that the revised Charter can be gazetted.

An improved and fairer costing methodology for overhead cost allocation for East Waste has been approved by the Board after consultation with Member Councils. This new overhead allocation, based on proportion of direct costs, has been used in the 2010/2011 Budget, approved by the Board in June of this year.

A new policy on Hard Waste Collection has been approved by the Board. East Waste will offer an At Call Hard Waste Service to Member Councils subject to their agreement. Councils are expected to progressively access this service over the coming years rather than the traditional Hard Waste Service across the whole Council area.

The Board has worked hard to resolve the dispute between Burnside Council and East Waste regarding the cost of the split-bin service. Member Councils have now instructed the Board of East Waste to utilise the appropriate mechanism within the Charter to resolve this dispute. This strategy will see a resolution to this dispute in the New Year and hopefully East Waste can move forward with all Councils adhering to the Charter that governs the operation of East Waste.

The Board of East Waste has approved an ambitious Annual Business Plan and Budget for the 2010/2011 year that will further improve the sustainability of East Waste in providing a cost-effective kerbside collection service that meets the expectation of Member Councils and the communities they serve.

Finally, I would like to thank all the staff of East Waste for their commitment during the year. Despite a change at Senior Management level, the staff of East Waste have met the Budget set for the year and maintained a high satisfaction rating with the kerbside collection services offered to Member and Client Councils.

CHAIRMAN’S REPORT

This is my first report as Chairman of East Waste. The Board elected me in January this year after the resignation of Cr Justin Lang as the Chairman of East Waste and the Campbelltown Council representative. I would like to thank Justin for his commitment and excellent work during his term as Chair of East Waste.

Other changes to the Board during the year included the appointment of Mr Bill Cossey as an Independent nomination representing the Adelaide Hills Council. Mr Mario Barone, CEO of Norwood, Payneham & St Peters Council, was appointed to represent his Council. These new representatives have taken over from Mr Peter Peppin, CEO of Adelaide Hills Council, and Mayor Robert Bria, from Norwood, Payneham & St Peters. I would like to express the Board’s appreciation to both these former Board Members for their contribution to East Waste.

In November last year, the General Manager of East Waste resigned and the Board appointed Trevor Hockley as the Acting General Manager. Trevor has extensive experience in Local Government waste management and the Board set a series of priorities to be implemented consistent with the Annual Business Plan of East Waste.

The Board of East Waste has worked with Member Councils and the Management of East Waste to address these priorities as summarised below:

The Charter has been reviewed and substantially agreed to by Member Councils. There are some minor drafting amendments to be made and further consultation required on the membership of the Board. The Mayors of Member Councils are working together to find a compromise so that the revised Charter can be gazetted.

An improved and fairer costing methodology for overhead cost allocation for East Waste has been approved by the Board after consultation with Member Councils. This new overhead allocation, based on proportion of direct costs, has been used in the 2010/2011 Budget, approved by the Board in June of this year.

A new policy on Hard Waste Collection has been approved by the Board. East Waste will offer an At Call Hard Waste Service to Member Councils subject to their agreement. Councils are expected to progressively access this service over the coming years rather than the traditional Hard Waste Service across the whole Council area.

The Board has worked hard to resolve the dispute between Burnside Council and East Waste regarding the cost of the split-bin service. Member Councils have now instructed the Board of East Waste to utilise the appropriate mechanism within the Charter to resolve this dispute. This strategy will see a resolution to this dispute in the New Year and hopefully East Waste can move forward with all Councils adhering to the Charter that governs the operation of East Waste.

The Board of East Waste has approved an ambitious Annual Business Plan and Budget for the 2010/2011 year that will further improve the sustainability of East Waste in providing a cost-effective kerbside collection service that meets the expectation of Member Councils and the communities they serve.

Finally, I would like to thank all the staff of East Waste for their commitment during the year. Despite a change at Senior Management level, the staff of East Waste have met the Budget set for the year and maintained a high satisfaction rating with the kerbside collection services offered to Member and Client Councils.


Paul di Iulio
Chairman
Year in Review

I was appointed as the Acting General Manager of East Waste in January 2010. The Board had previously approved an Annual Business Plan and work was well advanced in implementing this plan.

East Waste operates 18 collection services for its Member and Client Councils. This represents collection services from over 123,000 households weekly. There is a split-bin (waste and recyclables) collection service for Burnside Council. The remaining Member Councils and our Client Council, Unley, have a combination of a weekly 140L waste collection with a 240L recyclable collection fortnightly. All Member Councils and our Client Council are also provided with a green organics collection service with the exception of Adelaide Hills Council. This Council has a large rural area and drop-off facilities are provided for green organics as a more appropriate alternative.

The East Waste Budget tracks these 18 activities and estimates the individual cost of each service to conform with the requirements in it’s Charter to charge each member council the actual cost of providing these services.

It is pleasing to note that the East Waste Annual Budget projected over $13 million of expenditure during the year requiring relatively minor adjustments to Member Council fees for the year to ensure each Member Council only pays the actual cost of their collection service.

The Unley Council, as a non-Member Client, pays a contracted rate and, from the feedback at the quarterly meetings to monitor the contract performance, both parties are happy with the provided services. This contract is a very good strategic fit for East Waste that provides economies of scale to better absorb overhead costs which benefits both Member and Client Councils.

Summary of Business Activities

Quality Accreditation

Continuous improvement is essential for any organisation including East Waste. This year further work was undertaken to achieve accreditation for AS/NZS ISO 9001:2000 – a Quality Management System. The Board formally adopted the East Waste Quality Policy earlier this year as another milestone in gaining accreditation. Already the systems being introduced are yielding benefits for East Waste and Member Councils.
Information System
The Data Management System (DMS) of East Waste has been refined so that the Customer Service staff of East Waste can better respond to enquiries from residents. Soon ratepayers will have a choice between contacting us via the Internet as well as the phone.

The DMS will be used to measure agreed Key Performance Indicators (KPIs) that will be included in individual Service Level Agreements (SLAs) with Member Councils. This system will also measure the performance of our drivers to further monitor and improve our collection services. Meetings are now held quarterly with Councils and East Waste key staff to review all aspects of the actual services being delivered by East Waste to ensure they meet the standard expected by the community. East Waste remains committed to collect every bin presented at the kerbside and respond and remedy any resident collection query within 24 hours.

Occupational Health and Safety
East Waste places a very high importance on providing a safe work place for it’s employees. This year has been no exception with the Local Government Association Workers Compensation Scheme rebating over $53,000 in recognition of achieving an excellent result in minimizing lost time accidents.

Operations
The management of East Waste have reviewed the overall efficiency and cost effectiveness of its operations and proposed a capital budget for the coming year that will see the purchase of 5 new trucks. This increase in capacity to the existing truck fleet will allow more in-house regular maintenance and reduce overtime requirements resulting in a more sustainable model for East Waste with a corresponding reduction to labour costs.

Broader Local Government Issues
East Waste as a Local Government Regional Waste Authority has a role in keeping abreast of waste issues facing it’s Member Councils. During the year East Waste continued the trial of the co-collection of food waste with green organics. Member Councils have been encouraged to consider the introduction of this system to help achieve the Zero Waste SA targets in the new State Waste Strategy.

Staffing
New organisational structural changes have been put in place. The new structure makes East Waste more proactive and strategic than the reactive organisation of the past.

A special acknowledgement must go to Mr Malcolm Schulz for his 48 years of service as a driver for East Waste.

Trevor Hockley
Acting General Manager
## Summary Financial Statement for the year ended 30 June 2010

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collection Charges</td>
<td>$11,881,867</td>
<td>$9,528,576</td>
</tr>
<tr>
<td>Interest Income</td>
<td>$13,431</td>
<td>$27,640</td>
</tr>
<tr>
<td>Sundry Income</td>
<td>$893,776</td>
<td>$862,737</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>$12,789,074</td>
<td>$10,418,953</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Costs</td>
<td>$3,428,137</td>
<td>$3,321,646</td>
</tr>
<tr>
<td>Materials, contracts &amp; other expenses</td>
<td>$7,203,444</td>
<td>$4,677,433</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>$512,245</td>
<td>$603,017</td>
</tr>
<tr>
<td>Depreciation, amortization &amp; impairment</td>
<td>$1,876,370</td>
<td>$1,702,911</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>$13,020,196</td>
<td>$10,305,007</td>
</tr>
<tr>
<td>Surplus (Deficit) before tax equivalent</td>
<td>$(231,122)</td>
<td>$113,946</td>
</tr>
<tr>
<td>Income Tax Equivalent charge arising from the principle of competitive neutrality</td>
<td>$(22,869)</td>
<td>$(22,811)</td>
</tr>
<tr>
<td>Net gain (loss) on disposal or revaluation of assets</td>
<td>$(24,956)</td>
<td>$(5,610)</td>
</tr>
<tr>
<td>Net surplus (deficit) resulting from operations</td>
<td>$(278,947)</td>
<td>$85,525</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$310,946</td>
<td>$31,375</td>
</tr>
<tr>
<td>Trade and Other Receivables</td>
<td>$477,042</td>
<td>$823,686</td>
</tr>
<tr>
<td>Other</td>
<td>$178,085</td>
<td>$24,217</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>$966,073</td>
<td>$879,278</td>
</tr>
<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure, Property, Plant &amp; Equipment</td>
<td>$6,979,808</td>
<td>$8,617,689</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT ASSETS</strong></td>
<td>$6,979,808</td>
<td>$8,617,689</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$7,945,881</td>
<td>$9,496,967</td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>$980,817</td>
<td>$1,089,298</td>
</tr>
<tr>
<td>Provisions</td>
<td>$52,247</td>
<td>$48,557</td>
</tr>
<tr>
<td>Borrowings</td>
<td>$1,666,504</td>
<td>$2,405,169</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td>$2,699,568</td>
<td>$3,543,024</td>
</tr>
<tr>
<td><strong>NON-CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>$153,730</td>
<td>$145,794</td>
</tr>
<tr>
<td>Borrowings</td>
<td>$5,688,943</td>
<td>$6,125,562</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT LIABILITIES</strong></td>
<td>$5,842,673</td>
<td>$6,271,356</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>$8,542,241</td>
<td>$9,814,380</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>$(596,360)</td>
<td>$(317,413)</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated Surplus (Deficit)</td>
<td>$(596,360)</td>
<td>$(317,413)</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td>$(596,360)</td>
<td>$(317,413)</td>
</tr>
</tbody>
</table>
### Summary Financial Statement for the year ended 30 June 2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Expenses</th>
<th>Surplus (Deficit) before tax equivalent</th>
<th>Income Tax Equivalent charge arising from the principle of competitive neutrality</th>
<th>Net gain (loss) on disposal or revaluation of assets</th>
<th>Net surplus (deficit) resulting from operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$12,789,074</td>
<td>$13,020,196</td>
<td>(231,122)</td>
<td>(22,869)</td>
<td>(24,956)</td>
<td>(278,947)</td>
</tr>
<tr>
<td>2009</td>
<td>$10,418,953</td>
<td>$10,305,007</td>
<td>113,946</td>
<td>(22,811)</td>
<td>(5,610)</td>
<td>85,525</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Current Assets</th>
<th>Non-CURRENT ASSETS</th>
<th>Total Assets</th>
<th>Current Liabilities</th>
<th>Non-CURRENT LIABILITIES</th>
<th>Total Liabilities</th>
<th>Net Assets</th>
<th>Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$966,073</td>
<td>$6,979,808</td>
<td>$7,945,881</td>
<td>$2,699,568</td>
<td>$5,842,673</td>
<td>$8,542,241</td>
<td>(596,360)</td>
<td>(596,360)</td>
</tr>
<tr>
<td>2009</td>
<td>$879,278</td>
<td>$8,617,689</td>
<td>$9,496,967</td>
<td>$3,543,024</td>
<td>$6,271,356</td>
<td>$9,814,380</td>
<td>(317,413)</td>
<td>(317,413)</td>
</tr>
</tbody>
</table>
The composition of the Highbury Landfill Authority’s (HLA’s) Board changed slightly in April of this year with Ms Kiki Magro (Chief Executive Officer) replacing Mr Mark Draper as Proxy for Walkerville. The Independent Board Member, Mr Paul Lightbody, was reappointed by the Member Councils for the 2009/2010 financial year.

The approved closure plan had been implemented as required by the Environmental Protection Authority (EPA) with most of the work completed in the previous financial year. The site was reassessed after the winter rains and remedial work undertaken to improve the drainage and erosion control on the site.

The EPA requested that additional landfill gas monitoring bores be established on the southern and eastern boundaries of the site. This was in response to the proposed rezoning of land adjacent those boundaries that was not considered when the Highbury Landfill Closure Plan was formulated.

A review of the original Risk Management Plan for Highbury has commenced, again in response to the EPA so that the risk profile for the site is reassessed after completion of the placement of the Geosynthetic Clay Liner.

The draft report titled “Environmental Risk Review and Management Plan for Landfill Gas, Highbury Landfill” will be finalised when the results of additional drilling have been assessed.

The HLA Charter is in the process of being reviewed. Once amendments have been finalised it will be forwarded to the Office of Local Government for gazettal.

The Highbury Landfill Authority is committed to supporting recycled product. The mulch used to assist with the revegetation of the landfill has been sourced from the contractor who composts the green organics collected at the kerb of Member Councils.

Vegetation will be established in the retention pond in spring this year to filter stormwater so that only silt free water discharges off the site.
CLOSURE & POST-CLOSURE MANAGEMENT (CONT)

Now that the landfill has been capped and experienced its first winter rains remedial drainage works were undertaken in autumn this year.

A specialist drainage contractor, in conjunction with Golders Associates Pty Ltd, implemented practical plans to ensure the site is properly drained and stormwater is managed in accordance with EPA requirements. This work was followed up with further mulching in preparation for revegetation over the next 2–3 years.

FINANCIAL SUMMARY FOR THE YEAR ENDING 30 JUNE 2010

Income Statement as at 30 June 2010

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>REVENUE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highbury Levy</td>
<td>77,000</td>
<td></td>
</tr>
<tr>
<td>Interest Received</td>
<td>10,201</td>
<td>101,319</td>
</tr>
<tr>
<td>Sundry Income</td>
<td>4,251</td>
<td>3,600</td>
</tr>
<tr>
<td>TOTAL REVENUE</td>
<td>14,452</td>
<td>181,919</td>
</tr>
</tbody>
</table>

Expenses

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials Contracts &amp; Other Expenses</td>
<td>188,022</td>
<td></td>
</tr>
<tr>
<td>Finance Costs</td>
<td>508</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>10,043</td>
<td>4,688</td>
</tr>
<tr>
<td>Highbury Closure Provision</td>
<td>843,838</td>
<td>3,696,308</td>
</tr>
<tr>
<td>TOTAL OPERATING EXPENSES</td>
<td>853,881</td>
<td>3,889,526</td>
</tr>
</tbody>
</table>

NET (DEFICIT) RESULTING FROM OPERATIONS

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>(839,429)</td>
<td></td>
<td>(3,707,607)</td>
</tr>
</tbody>
</table>

Balance Sheet as at 30 June 2010

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>136,562</td>
<td>868,713</td>
</tr>
<tr>
<td>Investments LGFA</td>
<td>66,975</td>
<td>62,193</td>
</tr>
<tr>
<td>Receivables</td>
<td>131,036</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>18,556</td>
<td>61,404</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>222,093</td>
<td>1,123,346</td>
</tr>
</tbody>
</table>

NON-CURRENT ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant &amp; Equipment</td>
<td>57,774</td>
<td>50,217</td>
</tr>
<tr>
<td>TOTAL Non-Current Assets</td>
<td>57,774</td>
<td>50,217</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>279,867</td>
<td>1,173,563</td>
</tr>
</tbody>
</table>

CURRENT LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and Other Payables</td>
<td>48,527</td>
<td>835,076</td>
</tr>
<tr>
<td>Other</td>
<td>4,140</td>
<td>5,460</td>
</tr>
<tr>
<td>Provisions</td>
<td>343,000</td>
<td>800,000</td>
</tr>
<tr>
<td>Total Current Liabilities</td>
<td>395,667</td>
<td>1,640,536</td>
</tr>
</tbody>
</table>

Highbury Landfill Authority
The plan opposite shows the network of monitoring bores to assist in managing landfill gas on the site.

Boundary landfill gas monitoring bores are measured weekly at the Highbury landfill.

Boundary gas extraction bores have been established on the southern and eastern boundaries of the site.

These additional boundary extraction bores have been connected to previously established boundary bores and connected to the gas extraction system.

Energy Developments Ltd (EDL) extracts landfill gas from approximately 80 extraction bores located over the site.

Landfill gas extraction generates approximately 1 megawatt of green electricity for 16–17 hours a day at the site.

This is a renewable energy resource that is used by AGL and supports the State and nationwide initiative for renewable energy.
Chairman’s Report

The Waste Care SA Budget for the year was formulated on a conservative basis given the world economic climate in April/May last year. However, Waste Care SA (WCSA) has performed much better than anticipated. The tonnages through the Resource Recovery Waste Transfer Station (RRWTS) have been maintained and allowed WCSA to substantially improve on its budget forecast.

I was pleased to be re-elected Chairman at the April 2010 Board Meeting. The composition of the Board has changed quite dramatically since my last report. Mr Malcolm Downie, Board Member from Adelaide City Council, left in December 2009 and was replaced by Mr Peter Robson who attended his first meeting in February 2010. Subsequent structural changes in Council meant that its representation changed once again, with Mr Michael Sedgman and Mr Mike Carey being appointed as Board and Deputy Board Member respectively in June 2010. Mr Thornton Harfield resigned from Prospect Council and was replaced on the Board by Cr Ashley Dixon in April as well.

Let me take this opportunity to welcome the new Board and Deputy Board Members to WCSA and sincerely thank the past Board and Deputy Board Members for their contribution during their terms.

The RRWTS, owned by WCSA and operated by Transpacific Industries Group Ltd (TPI), received the Waste Management Association of Australia Award for the best Large Transfer Station in Australia in August 2009. The citation with the award congratulates TPI on managing a facility that incorporates best practice environmental management measures across the board. Many of the issues often associated with transfer stations, such as odour, litter and leachate control, have been solved by innovative design.

This award winning facility continues to attract commercial customers that maintain a viable business for TPI and help achieve the WCSA primary objective of controlling disposal fees for Member Councils.

Innovative design and comprehensive planning and training were evident when waste within the facility caught alight in November 2009. All the fire prevention systems worked and the facility sustained minimal damage and did not lose any operational hours. TPI has repaired the fire damage and the facility again meets the requirements of the operational contract.

WCSA has an advocacy role on behalf of its Member Councils and liaises closely with the Environment Protection Agency (EPA), Zero Waste SA (ZWSA) and other Local Government Waste Regional Subsidiaries. WCSA responded to the consultation phase in the preparation of the new State Waste Strategy that is now out for comment.

Last year the Adelaide City Council (ACC) announced its intention to sell Lot 25 at Wingfield. This parcel of land forms the Wingfield Waste and Recycling Centre and covers the ground leases with all the tenants including WCSA. The Board has considered several reports on the opportunities this may present and has conducted a workshop to develop a position for when the land is offered for sale. The Charter of WCSA requires the express approval of 4 of the 6 Member Councils before the land could be purchased. All Member Councils have been kept informed and the Board is committed to consulting with Councils to ensure Member Council support and approval for any final decision on the land acquisition.

In conclusion I would like to congratulate TJH Management Services Pty Ltd on being the successful tenderer for the outsourcing of administration and management contract of Waste Care SA that commenced in November 2009 for the next five years.

I commend the 2009/2010 Waste Care SA Annual Report to you.

Adrian Sykes

21 Rundle Street, Kent Town SA 5067 Ph 08 8363 9100 Fax 08 8363 9725
The Year in Review

The Member Councils and the Board adopted and approved an Annual Plan prior to the start of the financial year. The Year in Review reports on WCSA’s success in achieving the priorities in the 2009/2010 Annual Plan and Budget.

Project and Contract Management — WCSA Facility

- WCSA held regular Management Committee Meetings with TPI as required in the Operations Contract to review the performance of the WCSA facility.
- Several Member Councils delivered their hard waste kerbside collected material to the WCSA facility for recycling and disposal at very competitive rates.
- To ensure TPI’s compliance with the Project Agreement, Asset Management Reviews were conducted in June 2009 and April 2010. No significant non-compliance issues were identified.
- TPI’s commitment to resource recovery has seen, wherever possible, resources diverted for recycling and reuse. Several thousands of tonnes of resources were recovered during the year.

Wingfield Waste & Recycling Centre (WWRC)

- The Executive Officer attended the bimonthly WWRC Marketing Committee Meetings, convened by Adelaide City Council. These meetings are attended by all of the WWRC tenants including TPI, AMCOR, Adelaide Resource Recovery (ARR) and Jeffries. Marketing and promotion of the WWRC are the reasons behind these meetings.
- The Committee has been responsible for:
  ◦ Improved signage for easier public access to the site;
  ◦ An education centre that is being developed by KESAB as part of its school’s education program sponsored by Zero Waste SA. The centre will also be used by Local Government and interested community groups.
  ◦ Cooperation on site between tenants for the sharing of resources such as the weighbridge and the reuse and recycling of products between the different businesses, ie, reclaimed timber from TPI to Jeffries for chipping and composting, and recovered demolition waste from TPI for crushing by ARR into roadbase.
The Year in Review

Financial Management & Reporting
- A summary of the Audited Financial Statements for WCSA to June 2010 is on page 4 and was an excellent result given the economic conditions. WCSA exceeded its budget and has achieved its targeted reserve funds as projected in the Business Plan.
- The Audit Committee met during the year to review the budget and financial statements and will be involved in developing a financial model for the next 10 years that will assist the Board and Member Councils in decisions regarding the possible purchase of Lot 25 from the ACC (refer to Chairman’s Report, page 1).

Administration & Governance of WCSA
- Charter Review
  ◊ All Member Councils have adopted the revised Waste Care SA Charter which is in the process of being gazetted by the Office of Local Government.
- Outsourcing Contract
  ◊ A public tender was called in August 2009 for the Outsourcing of Management and Administration Services for WCSA. TJH Management Services Pty Ltd was the successful tenderer and was awarded a five year contract.

Broader Local Government & Member Council Issues
- Several Member Councils are considering the introduction of food waste into their green organics collection. WCSA supports this initiative and has factored in the reduced waste to landfill in its forward financial projections.
- The Waste to Resources Environment Protection Policy is now legislation and WCSA will monitor the impacts on Local Government over the next 1—2 years. A key area of concern for Member Councils and Local Government is e-waste.

Trevor Hockley
EXECUTIVE OFFICER
Summary Financial Statement for the year ended 30 June 2010

Income Statement as at 30 June 2010

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCOME</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Members’ Contributions</td>
<td>$134,317</td>
<td>$134,317</td>
</tr>
<tr>
<td>Investment Income</td>
<td>$17,090</td>
<td>$17,117</td>
</tr>
<tr>
<td>Commercial Activities</td>
<td>$1,301,219</td>
<td>$1,267,953</td>
</tr>
<tr>
<td>TOTAL INCOME</td>
<td>$1,452,626</td>
<td>$1,419,387</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials, Contracts &amp; Other Services</td>
<td>$554,521</td>
<td>$511,156</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>$772,298</td>
<td>$772,367</td>
</tr>
<tr>
<td>Depreciation, Amortisation &amp; Impairment</td>
<td>$364,170</td>
<td>$364,170</td>
</tr>
<tr>
<td>TOTAL EXPENSES</td>
<td>$1,690,989</td>
<td>$1,647,693</td>
</tr>
<tr>
<td>NET (DEFICIT)</td>
<td>($238,363)</td>
<td>($228,306)</td>
</tr>
</tbody>
</table>

Balance Sheet as at 30 June 2010

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$393,593</td>
<td>$179,924</td>
</tr>
<tr>
<td>Receivables</td>
<td>$515,577</td>
<td>$563,191</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>$909,170</td>
<td>$743,115</td>
</tr>
<tr>
<td>NON-CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant &amp; Equipment</td>
<td>$12,040,679</td>
<td>$12,404,848</td>
</tr>
<tr>
<td>Total Non-Current Assets</td>
<td>$12,040,679</td>
<td>$12,404,848</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$12,949,849</td>
<td>$13,147,963</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade &amp; Other Payables</td>
<td>$613,733</td>
<td>$564,768</td>
</tr>
<tr>
<td>Other Current Liabilities</td>
<td>$10,198</td>
<td>$18,914</td>
</tr>
<tr>
<td>Short Term Loan</td>
<td>$3,500,000</td>
<td></td>
</tr>
<tr>
<td>Total Current Liabilities</td>
<td>$4,123,931</td>
<td>$583,682</td>
</tr>
<tr>
<td>NON-CURRENT LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Term Loan</td>
<td></td>
<td>$11,281,600</td>
</tr>
<tr>
<td>Total Non-Current Liabilities</td>
<td>$7,781,600</td>
<td>$11,281,600</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td>$11,905,531</td>
<td>$11,865,282</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>$1,044,318</td>
<td>$1,282,681</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EQUITY</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated Deficit</td>
<td>$(555,682)</td>
<td>$(317,319)</td>
</tr>
<tr>
<td>Asset Revaluation Reserve</td>
<td>$1,600,000</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>TOTAL EQUITY</td>
<td>$1,044,318</td>
<td>$1,282,681</td>
</tr>
</tbody>
</table>
APPENDIX
FREEDOM OF INFORMATION STATEMENT
Freedom of Information

Statement 2009 / 10

Adopted: Council 2 November 2009
1. **Introduction**

**Information Statement**

This Information Statement is published by the Corporation of the Town of Walkerville in accordance with the requirements of the Freedom of Information Act 1991.

The Corporation of the Town of Walkerville is pleased to comply with the legislation and welcomes enquiries on any information listed in this statement.

An updated Information Statement is published every twelve months.

The Information Statement is available for viewing at the Council Office, 66 Walkerville Terrace, Gilberton or on Council's web site: www.walkerville.sa.gov.au.

A copy of the Information Statement can be purchased as per Councils Fees & Charges listing. An administration fee of $5.00 per document will apply if staff are requested to do the photocopying of the document.

2. **Structure and Functions of the Council**

2.1 **Council**

Council, consisting of nine Ward Councillors (3 for each of the three Wards) and the Mayor, is the decision-making body on all policy matters.

In keeping with legislative requirements the Council:

- Determines the policies to be applied by the Council in exercising its discretionary powers;
- Determines the type, range and scope of projects to be undertaken by the Council; and
- Determines the resources which are to be made available to undertake such works and services.

Ordinary meetings of the full Council are held on the 1st Monday (except public holidays when meetings are held on the Tuesday) of every month at 7.00pm.

Members of the public are welcome to attend.

2.2 **Committees**

Committees have been formed to streamline Council business where necessary.

The committees are:

- Audit Committee
- Building Fire Safety Committee (Section 71, Development Act 1993)
- Chief Executive Officer Performance Review Committee

They meet irregularly for special, specified purposes / projects.
2.3 Development Assessment Panel

The Council has established a Development Assessment Panel pursuant to Section 56A of the Development Act 1993.

The Panel has delegated authority from Council to carry out the assessment of Development Applications.

Meetings of the Panel are held as required on the second Monday of each month (or the second Tuesday, if the Monday is a public holiday) commencing at 5.30 pm in the Council Chambers, 66 Walkerville Terrace, Gilberton or as such place as the Development Assessment Panel determines. Meetings are not held if there is no business for the Panel to discuss.

Members of the public may attend Development Assessment Panel meetings.

2.4 Agendas and Minutes

Council, Audit Committee, CEO’s Performance Review Committee and Development Assessment Panel agendas are placed on public display not less than three days prior to the meetings. Minutes of the meetings are on display within five days of the meetings at both the Council Offices and the Walkerville Public Library.

Meeting agendas and minutes can also be viewed on Council’s web site: www.walkerville.sa.gov.au

2.5 Working Parties and Groups

A number of staff committees have been established to assist with the Management of the Council and to comply with legislative requirements. These include (but are not inclusive):

- Executive Management Team
- Occupational Health, Safety and Welfare; Risk Management & Environmental Management Committee

2.6 Delegations

The Chief Executive Officer has the delegated authority from Council to make decisions on a number of specified administrative and regulatory matters. The Chief Executive Officer may sub-delegate such authority to other officers in particular circumstances.

The Council makes policy decisions which direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken, and the resources which are to be made available to undertake such works and services.

3. Services for the Community

Local Government is a multi-disciplinary business primarily serving the needs of its community.
The following list is indicative of the core functions:

- Administrative Services
- Asset Management & Maintenance
- Community Services
- Construction & Project Management
- Corporate Communications & Marketing
- Corporate Planning
- Development Assessment
- Development Plan Policy
- Economic & Business Development
- Elections
- Environmental Management
- Financial Management
- Fleet Management
- Governance
- Historical Records
- Home & Community Care
- Library Service
- Legislative Compliance
- Parks & Gardens
- Policy Development
- Public Health
- Significant Trees
- Subsidiaries
- SWAP Library Network
- Town Planning

The range of services provided by Local Government is in response to the needs and priorities of the community as determined by the Council. The services will be depending upon the Council’s geographical location and size, development and growth patterns, and population profile.

Some services, however, Councils are required to provide by legislation.

4. Public Participation

4.1 Council and Committee Meetings

Members of the public have a number of opportunities to put forward their views on particular issues before Council. These opportunities are covered in Councils:

- Public Consultation Policy
- Public Question Time Policy
- Code of Practice – access to Council meetings, Council committees and Council documents
- Code of Practice – procedures at meetings
These documents are available from the Council Offices or the Walkerville Library for a small fee. They are also available on Councils website at www.walkerville.sa.gov.au.

5. **Access to Council Documents**

5.1 **Documents Available for Inspection**

The following documents are available for public inspection at the Council Offices, 66 Walkerville Terrace,Gilberton between 9.00 am and 5.00 pm weekdays. Members of the public may purchase copies of these documents by payment of the fees set out in the Fees and Charges Register.

Inquiries concerning the procedures for inspecting and purchasing the Council's policy documents should be directed to Council staff.

**Council Documents**
- Annual Business Plan
- Audited Financial Statements
- Annual Report
- Assessment Record
- By-Laws
- Charters of subsidiaries that Council is a constituent Council (eg Eastern Health Authority; Eastwaste; Wastecare; Highbury Landfill
- Committee Agendas
- Committee Minutes
- Council Agendas
- Council Minutes
- Community Land Management Plans
- Delegations – recorded under Local Government Act 1999
- Development Assessment Panel Agendas
- Development Assessment Panel Minutes
- Development Plan Amendment (once authorised for Public Consultation)
- Fees and Charges Listing
- Freedom of Information Statement
- Plan Amendment Reports
- Policy Manual
- Strategic Management Plan
- Voters Roll (LG (Elections) Act 1999)

**Codes**
- Code of Conduct for Elected Members
- Code of Conduct for Employees
- Code of Practice - Access to Council Meetings, Council Committees and Council Documents
- Code of Practice – procedures at meetings

**Registers**
- Register of By-laws and certified copies
- Register of Campaign Donations Returns
- Register of Community Land
- Register Development Applications / Consents / Approvals
- Register Dogs
- Register of Elected Members Allowances & Benefits
- Register of Interests – Elected Members / Board Members on subsidiaries
- Register of Interests - Employees
- Register of Parking Controls
- Register of Public Roads
- Register of Remuneration, salaries & benefits – staff

**Policies**
- Advertising Charges
5.2 Freedom of Information

Requests for access to other Council documents will be considered in accordance with the Freedom of Information Act 1991. Under this legislation, a written application accompanied by the prescribed application fee is required.

The application fee and the fees for dealing with the application (including photocopying of documents) are prescribed in the Freedom of Information (Fees and Charges) Regulations 2003. The Council must waive or remit fees for pensioners and other prescribed persons.

Freedom of Information requests should be addressed to:

Freedom of Information Officer
Town of Walkerville
PO Box 55
WALKERVILLE SA 5081

Forms are available from the Council Offices, 66 Walkerville Terrace, Gilberton.

Applications will be responded to as soon as practicable and in any event within 30 days of Council receiving a proper written request, together with the prescribed application fee.
6. **Amendment of Council Records**

A person to whom access to Council documents has been given may apply under the Freedom of Information Act 1991 for the amendment of the Council's records if –

- the document contains information concerning the person's personal affairs;  
  and
- the information is available for use by the Council in connection with its administrative functions;  
  and
- the information is, in the person's opinion, incomplete, incorrect, out-of-date and misleading.

Applications must be in writing and contain the information specified in Section 31 of the Freedom of Information Act 1991. Forms for this purpose are available at the Council Office, 66 Walkerville Terrace, Gilberton.

*Kiki Magro*

*Chief Executive Officer*

*November 2009*