

2022 2023

ANNUAL REPORT



AHRWMA

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY



SUSTAINABLE
WASTE MANAGEMENT
THROUGH SHARED
SERVICES

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ABOUT AHRWMA

The Adelaide Hills Region Waste Management Authority is a Local Government Regional Subsidiary established by The Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge, pursuant to Section 43 of the *Local Government Act, 1999*.

Our Member Councils resolved to work together via the Authority to coordinate waste management and recycling within the region. Under our Charter the Authority's purpose is to facilitate, co-ordinate and undertake waste management including waste collection, treatment, disposal and recycling within the Region.

The Authority's business activities include landfill operations, resource recovery centre management, hook-lift truck transport services and mobile concrete crushing services on behalf of and for the benefit of our Member Councils. The Authority also represents our Member Councils in relevant forums, provides technical waste and resource management advice and coordinates education services across the region.

The Authority operates a landfill facility, currently receiving over 50,000 tonnes of material annually, with approximately 44,000 tonnes being disposed to the active landfill cells. We have a strong focus to divert waste from landfill, extracting materials such as metals, construction and demolition waste, tyres and mattresses for processing and reuse.

The Brinkley and Heathfield facilities receive over 10,000 tonnes of material annually, with approximately 7,800 tonnes recovered and diverted from landfill – a diversion rate of 72%. We recover resources such as E-waste, chemical containers, polystyrene, cardboard, tyres, mattresses, green organics and concrete. We also receive household chemicals for environmentally appropriate storage, management and disposal.

Our reviewed Charter was Gazetted in June 2022 and under this Charter our five-member Board, including an Independent Chair was established. Our Audit Committee Terms of Reference were reviewed with a new Audit and Risk Committee, including two independent members being appointed in February 2023.



OUR REGION

POPULATION
134,841



5048.7
SQUARE KMS

26.7
PEOPLE PER
SQUARE KM

2

FROM THE INDEPENDENT CHAIRPERSON

I am pleased to present our Annual Report for the 2022-23 fiscal year. This year marks not only the first full year of operation under our revised Charter and the establishment of a new Board structure, but also my inaugural year as the Independent Chair of the Authority.

Our commitment to our mission remained steadfast throughout the year. We continued to operate a compliant landfill while championing the principles of the Circular Economy. Notably, we diverted approximately 14,000 tonnes of waste from landfill, redirecting these materials toward reprocessing and reuse, a clear example of our commitment to sustainability.

Our efforts extended to assisting our Constituent Councils in managing challenging waste streams, demonstrated by the dedicated drop-off facility at the Heathfield Resource Recovery Centre. Here, over 48 tonnes of chemicals found safe disposal, removing hazardous materials from our environment and minimising risks to our communities.

We were delighted to welcome a new Circular Economy Officer to the Authority's team and eagerly anticipate the contributions this position will make to both our organisation and our Constituent Councils.

With the assistance of Green Industries SA, we provided vital support in the wake of the significant River Murray Flooding event in early 2023. Our efforts assisted with the safe and ethical disposal of damaged infrastructure, facilitating the cleanup for residents and mitigating potential health risks from flood-damaged materials.

Our unwavering commitment to workplace health and safety (WHS) has continued and we are pleased to have recorded no lost time injuries. We were also honoured to be recognised as a major regional winner of the LGA's WHS award for our exemplary training competency process, reaffirming our commitment to a safe working environment.





Financially, we exceeded expectations, realising a surplus which will be invested in asset and infrastructure replacement, maintenance, and capital projects, ensuring our long-term sustainability.

I would like to extend my appreciation to our Executive Officer, Leah Maxwell, whose dedication has been instrumental in our achievements. Equally, I wish to thank our staff whose commitment drives our mission forward. We are fortunate to have such a skilled and dedicated team working diligently for the benefit of our Councils and communities.

I would also like to acknowledge the contributions of our Board Members and our Audit and Risk Committee. Their guidance, leadership, and dedication have been pivotal in striving for the best outcomes for the Authority and its Constituent Councils. To our Constituent Councils, I extend my gratitude for your continued collaboration, support, and trust in our organisation.

As we move forward, the Authority remains committed to improving governance and risk management across all facets of our operation. We are dedicated to assisting our Constituent Councils in delivering efficient and effective waste and resource management services. Beyond our core services, we maintain an active presence in the wider industry, representing our Constituent Councils in relevant forums.

Thank you for your continued partnership and trust in the Authority. Together, we look forward to another year of progress, sustainability, and success.

ADRIAN SKULL

Independent Chairperson





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GOVERNANCE

BOARD MEMBERS JUNE 2023

The Authority is administered by a Board in accordance with the requirements of the Local Government Act, the Authority's Charter and applicable policies. The Board is responsible for the overall governance, management and strategic direction of the Authority. The Board meets at least 5 to 6 times each financial year.

INDEPENDENT CHAIR



ADRIAN SKULL
5 of 5 Meetings

MOUNT BARKER
DISTRICT COUNCIL

ALEX OULIANOFF
Board Member
5 of 5 Meetings

ADELAIDE
HILLS COUNCIL

CR LUCY HUXTER
Board Member
2 of 3 Meetings

RURAL CITY OF
MURRAY BRIDGE

HEATHER BARCLAY
Board Member
2 of 4 Meetings

ALEXANDRINA
COUNCIL

ANDY BAKER
Board Member
2 of 3 Meetings



CR BRADLEY ORR
Deputy Board Member
0 Meetings



JOHN MCARTHUR
Deputy Board Member
0 Meetings



BRAD WARNCKEN
Deputy Board Member
2 Meetings



GARY LYONS
Deputy Board Member
0 Meetings

Deputy Members attend meetings only as required

Historical Board Member & Deputy Attendances FY2023

Board Member	Attended
John McArthur	2 of 2
Michael Scott	1 of 1
Tim Tol	1 of 1
Deputy Member (attendance as required)	
Phil Burton	0

AUDIT AND RISK COMMITTEE

The Audit Committee's Terms of Reference were reviewed with a new Audit and Risk Committee established in February 2023, consisting of 2 Board Members and 2 Independent Members.

ARC Member Attendances June 2023

Member	Attended
Alex Oulianoff (Mount Barker)	5 of 5
Elizabeth Williams (Independent Chair)	3 of 3
Rebecca Wilson (Independent Member)	3 of 3
Heather Barclay (Murray Bridge)	3 of 4
Historical Attendances Pre Feb 2023	
Peter Brass (Independent Chair)	2 of 2
Greg Parker (Mount Barker)	1 of 1
Elizabeth Williams (Alexandrina)	0 of 1

**MANAGING DIFFICULT
WASTE STREAMS AND DRIVING
A CIRCULAR ECONOMY**

Diverted, Recovered & Reprocessed	
300 tonnes	of cardboard
848 tonnes	of metal & batteries
109 tonnes	of mattresses
12 tonnes	of tyres
19 tonnes	of polysterene & hard plastics
72 tonnes	of E-waste
0.45 tonnes	of x-rays



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PERFORMANCE AGAINST BUSINESS PLAN

Actions, Targets and Measures	Measurable Outcome	Status
Embrace the waste hierarchy and circular economy principles - the Authority will aim to assist and positively influence the recycling markets as much as possible via its operations and services.	Authority activities, operations and projects align with waste hierarchy and circular economy.	Achieved and ongoing. We continue to divert waste from landfill where possible and ensure our activities align with the waste hierarchy and circular economy.
Represent Constituent Councils in the waste and resource recovery sector.	Provide responses on behalf of Constituent Councils to State, Federal and other communications regarding legislation/policy changes etc. Attend WMRR meetings and actively participate in State and Federal waste/resource recovery LGA/State/ Federal/industry groups.	Achieved and ongoing. The Authority's representatives have attended WMRR meetings and industry group meetings/conferences throughout the year and have submitted regional responses regarding policy and industry changes.
Induct the newly appointed Board and Independent Chair.	New Board inducted.	Complete.
Finalise the 10-year Strategic Plan.	Final plan adopted and implemented.	Draft document and workshop complete.
Consider landfill gas management at the Brinkley Landfill site.	Complete Landfill Gas Feasibility Study and consider management options.	Feasibility study complete – Project ongoing.
Implement staged capping and closure of Brinkley Landfill cells in accordance with capping and closure plan.	Capping completed in accordance with plan.	Draft plan is being revised to incorporate LFG feasibility study – Project ongoing.
Continue to manage the Brinkley Landfill site and cell construction to maintain adequate airspace for waste disposal needs.	Ongoing review and assessment completed.	Complete. Cell under construction. Ongoing requirement.
Manage the Brinkley Landfill as a compliant facility.	All EPA compliance requirements are met.	Complete. Ongoing requirement.

Actions, Targets and Measures	Measurable Outcome	Status
Establish the landfill to be a model and leading-edge regional facility. Utilise the landfill and transfer stations as educational tools where possible.	Site used for educational purposes (tours/presentations/photos and articles).	Complete and ongoing. The Authority uses the site to facilitate visits from schools and community groups and uses photos for educational purposes.
Continue to establish the Authority as an expert in the field of waste and resource management and act as an information source for Constituent Councils and their communities.	Information provided to Constituent Councils and communities on an ongoing basis.	Complete and ongoing. Newsletter established and provided to stakeholders.
Continue to implement media and advertising programs aiming to increase education across the region.	Manage an updated website and increase social media presence.	Complete. Website updated and managed.
Continue to explore options to coordinate Constituent Council waste services where cost savings can be identified and progressively implement approved shared services across Constituent Councils.	W&RRO is established. Shared services implemented, where there is benefit to Constituent Councils	Complete – position established and filled. Ongoing.
Hold quarterly meetings with key senior staff from each of the Constituent Councils to consider Council priorities.	A minimum of four meetings held.	Not complete. Regular meetings have been held with some Councils, not all on a consistent basis.
Continue to operate the Resource Recovery Centres efficiently, with a focus on resource recovery, waste hierarchy and cost effectiveness.	Continue to divert waste from landfill where possible. Maintain the net result where possible and work towards a break-even position.	Complete. The RRC's achieved average diversion rate of 72%. Ongoing requirement.
Continue to review and update WHS policies and systems.	WHS and policies reviewed.	Complete. Ongoing requirement.
Work with the LGA Mutual Liability Scheme to ensure the Authority is meeting requirements.	Meeting held with scheme reps and programs implemented where required.	Complete. Ongoing requirement.
Implement the Waste and Resource Management Plan and action the initiatives identified within this plan.	Waste and Resource Recovery Plan implemented.	Not Complete. Draft document complete, which informed the Strategic Plan. Document to be updated and presented to the Board/ Constituent Councils for endorsement.
Create a Waste and Resource Recovery Officer Position within the Authority – providing Strategic Support for Constituent Councils.	Waste and Resource Recovery Officer Position implemented.	Complete. Circular Economy Officer appointed.



FINANCIAL INDICATORS

The Authority's financial indicator performance targets assist in ensuring the long term financial sustainability of the Authority.

Indicators	Short Term Target	Long Term Target	Original Budget	Year End Actual
Operating Surplus/(Deficit)	>0%	2%	1%	5%
Net Financial Liabilities Ratio	70%	55%	29%	10%
Interest Cover Ratio	1.5%	1%	0.2%	0.1%
Asset Renewal Funding Ratio	100%	100%	45%	337%

The operating surplus/(deficit) ratio for year end actual is stronger than the original budget. This ratio continues to meet the short term target and for a second year in a row has meet the long term target of 5%. Meeting this target ensures 5% of total revenue is available to fund proposed capital expenditure.

Net financial liabilities ratio exceeded the original budget. Increased income and management of operating expenditure enabled the Authority to repay borrowings earlier than planned. A downward trend of 13% last end of year and 10% this year, indicates the Authority's ability to meet financial obligations from operating revenue is strengthening.

Interest cover ratio indicates the Authority has used 0.1% of operating revenue to pay interest expenses. This is less than the original budget as borrowings were repaid earlier than anticipated.

The spike of the asset renewal funding ratio for end of year actual is a result of renewing capital as planned for FY2023 as well as capital that had not been renewed the previous year due to the impacts of the pandemic. This ratio for end of year FY2022 was 0%. The original budget of 45% was less than the short and long term target because the renewal of an asset as planned in the asset management plan, did not need replacing.

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AUDITED FINANCIAL STATEMENTS



**Adelaide Hills Region Waste
Management Authority
General Purpose Financial Reports
for the year ended 30 June 2023**

Adelaide Hills Region Waste Management Authority
General Purpose Financial Reports
for the year ended 30 June 2023

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**Adelaide Hills Region Waste Management Authority
Annual Financial Statements
for the year ended 30 June 2023**

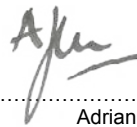
CERTIFICATION OF FINANCIAL STATEMENTS

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 2023 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.



.....
Leah Maxwell
EXECUTIVE OFFICER



.....
Adrian Skull
CHAIRPERSON

Date: 21 September 2023

Adelaide Hills Region Waste Management Authority
Statement of Comprehensive Income
for the year ended 30 June 2023

		2023	2022
	Notes	\$	\$
INCOME			
User charges	2	6,157,023	5,725,347
Grants, subsidies and contributions - Operating	2	15,000	20,000
Investment income	2	18,014	915
Other income	2	2,674,892	2,509,049
Total Income		<u>8,864,929</u>	<u>8,255,311</u>
EXPENSES			
Employee costs	3	1,814,004	1,608,869
Materials, contracts & other expenses	3	5,821,230	5,567,723
Depreciation, amortisation & impairment	3	810,157	680,098
Finance costs	3	7,709	14,485
Total Expenses		<u>8,453,100</u>	<u>7,871,175</u>
OPERATING SURPLUS / (DEFICIT)		<u>411,829</u>	<u>384,136</u>
Asset disposal & fair value adjustments	4	16,270	-
NET SURPLUS / (DEFICIT)		<u>428,099</u>	<u>384,136</u>
transferred to Equity Statement			
TOTAL COMPREHENSIVE INCOME		<u>428,099</u>	<u>384,136</u>

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

Adelaide Hills Region Waste Management Authority
Statement of Financial Position
as at 30 June 2023

		2023	2022
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,478,418	1,051,069
Trade & other receivables	5	956,920	1,355,484
Inventories	5	10,554	9,153
Total Current Assets		2,445,892	2,415,706
Non-current Assets			
Infrastructure, property, plant & equipment	6	4,670,029	4,373,956
Total Non-current Assets		4,670,029	4,373,956
Total Assets		7,115,921	6,789,662
LIABILITIES			
Current Liabilities			
Trade & other payables	7	975,952	847,330
Borrowings	7	51,170	224,073
Provisions	7	269,474	338,649
Total Current Liabilities		1,296,596	1,410,052
Non-current Liabilities			
Borrowings	7	90,434	141,604
Provisions	7	1,956,092	1,893,306
Total Non-current Liabilities		2,046,526	2,034,910
Total Liabilities		3,343,122	3,444,962
NET ASSETS		3,772,799	3,344,700
EQUITY			
Accumulated surplus		3,772,799	3,344,700
TOTAL EQUITY		3,772,799	3,344,700

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

Adelaide Hills Region Waste Management Authority
Statement of Changes in Equity
for the year ended 30 June 2023

		Accumulated Surplus	TOTAL EQUITY
2023	Notes	\$	\$
Balance at end of previous reporting period		3,344,700	3,344,700
Net Surplus / (Deficit) for Year		428,099	428,099
Balance at end of period		3,772,799	3,772,799
2022	Notes	\$	\$
Balance at end of previous reporting period		2,960,564	2,960,564
Net Surplus / (Deficit) for Year		384,136	384,136
Balance at end of period		3,344,700	3,344,700

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

Adelaide Hills Region Waste Management Authority
Statement of Cash Flows
for the year ended 30 June 2023

		2023	2022
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
User charges		6,020,093	5,669,183
Investment receipts		13,000	359
Grants utilised for operating purposes		15,000	20,000
Other revenues		3,204,067	2,994,261
<i>Payments:</i>			
Employee costs		(1,770,067)	(1,550,030)
Materials, contracts & other expenses		(5,774,423)	(5,597,961)
Finance payments		(8,474)	(17,954)
Net Cash provided by (or used in) Operating Activities		1,699,196	1,517,858
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Sale of replaced assets		149,265	-
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(1,079,713)	-
Expenditure on new/upgraded assets		(117,326)	(234,866)
Net Cash provided by (or used in) Investing Activities		(1,047,774)	(234,866)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		-	(450,000)
<i>Payments:</i>			
Repayments of borrowings		(175,248)	-
Repayment of principal portion of lease liabilities		(48,825)	(46,560)
Net Cash provided by (or used in) Financing Activities		(224,073)	(496,560)
Net Increase (Decrease) in cash held		427,348	786,432
Cash & cash equivalents at beginning of period	8	1,051,069	264,637
Cash & cash equivalents at end of period	8	1,478,418	1,051,069

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

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

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 on a going concern basis using the historical cost convention 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 Authority is a Local Government Authority Section 43 regional subsidiary under the control of Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge.

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 these Notes.

1.4 Rounding

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

2 The Local Government Reporting Entity

Adelaide Hills Region Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at c/- of Mount Barker District Council, 6 Dutton Road, Mount Barker. These financial statements have been prepared for use by Constituent Councils of the Authority.

3 Income recognition

3.1 Revenue

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.

4 Cash, Cash Equivalents and Other Financial Instruments

4.1 Cash, Cash Equivalent Assets

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.

4.2 Other Financial Instruments

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form part of Note 9.

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.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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.

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 the 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. No capitalisation threshold is applied to the acquisition of land or interests in land.

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure.

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 the Authority, best reflects the consumption of the service potential embodied in those assets.

Major depreciation periods for each class of asset are shown in Note 6. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

6.6 Borrowing Costs

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

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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

8 Borrowings

Borrowings 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 Provisions

9.1 Employee Benefits

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 the 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.

Superannuation:

The Authority makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and the Authority's involvement with the schemes are reported in Note 13.

9.2 Provisions for reinstatement, restoration, rehabilitation.

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

The Authority recognises a capping liability for all past and present active landfill cell operational areas. For which capping rehabilitation works have not yet been completed.

The Authority recognises a capping liability for a historical cell given it is believed that it will be responsible for capping this area in future years and has accordingly recognised a liability. The Authority however is not presently obligated to undertake this work given the liability to cap the cell resides with the existing owners of the site.

The Authority has calculated the liability based on an alternate capping design being accepted by the Environmental Protection Authority South Australia (EPA) which is in the process of being approved. Should there be an unfavourable outcome from the alternate capping plan application process, this may result in further increases to the liability needing to be recorded in future periods.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustment to the liability as required ensuring an accurate projected cost of the liability is showing in the Statement of Financial Position. The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified. This was last reviewed and revalued by Golder Associates Ltd on 29 July 2019.

10 Leases

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, being the land leased at Brinkley Landfill.

i) Right-of-use assets

The Authority recognises right-of-use assets as at commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life

ii) Lease liabilities

At the commencement date, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

11 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.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME

	2023	2022
Notes	\$	\$
USER CHARGES		
Waste processing and disposal fee	6,157,023	5,725,347
	<u>6,157,023</u>	<u>5,725,347</u>
INVESTMENT INCOME		
Interest on investments:		
Interest on investments	18,014	915
	<u>18,014</u>	<u>915</u>
OTHER INCOME		
Consultancy service	9,726	10,053
Waste officer contribution	-	59,588
Waste transfer station income	1,777,999	1,711,808
Waste transfer station recuperation	120,570	99,302
Transport income	404,709	317,837
Fuel tax rebate	57,159	52,185
Machinery charge out	103,320	109,774
Recycled income	46,838	15,745
Sundry	154,571	132,757
	<u>2,674,892</u>	<u>2,509,049</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Sundry	15,000	20,000
Sources of grants		
Other	15,000	20,000
	<u>15,000</u>	<u>20,000</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE

		2023	2022
	Notes	\$	\$
EMPLOYEE COSTS			
Salaries and Wages		1,392,629	1,187,834
Employee leave expense		159,688	174,725
Superannuation - defined contribution plan contributions	13	142,868	123,126
Superannuation - defined benefit plan contributions	13	5,785	4,595
Workers' Compensation Insurance		41,663	46,358
Other employment related costs		71,371	72,231
Total Operating Employee Costs		1,814,004	1,608,869
 Total Number of Employees		 18	 16
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		5,405	5,289
Subtotal - Prescribed Expenses		5,405	5,289
<u>Other Materials, Contracts & Expenses</u>			
Materials, contractors and other		417,944	293,753
Waste transfer station expenses		1,240,894	1,212,752
Consultants		42,097	47,044
Administration and Board		135,220	76,094
EPA licence fee		9,986	9,793
Repairs and maintenance		199,387	201,980
Insurance and legal		57,129	39,978
EPA waste levy paid		3,372,177	3,394,154
Parts, accessories & consumables		323,355	263,237
Sundry (should not be a material amount)		17,636	23,649
Subtotal - Other Materials, Contracts & Expenses		5,815,825	5,562,434
		5,821,230	5,567,723

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE con't

		2023	2022
	Notes	\$	\$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Road infrastructure		5,534	5,534
Buildings		15,686	15,062
Vehicles		32,258	31,501
Plant and equipment		394,950	317,487
Landfill cells		150,165	144,320
Leachate pond		8,697	8,697
Landfill rehabilitation		19,030	46,121
Landfill cell capping		135,294	62,833
Right of use assets	16	48,543	48,543
		<u>810,157</u>	<u>680,098</u>
FINANCE COSTS			
Interest on overdraft and short-term drawdown		1,116	8,323
Interest on Leases		6,593	6,162
		<u>7,709</u>	<u>14,485</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

		2023	2022
	Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		149,265	-
Less: Carrying amount of assets sold		<u>132,995</u>	<u>-</u>
Gain (Loss) on disposal		<u>16,270</u>	<u>-</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 5 - CURRENT ASSETS

		2023	2022
CASH & EQUIVALENT ASSETS	Notes	\$	\$
Cash on Hand and at Bank		470,195	324,529
Deposits at Call		1,008,223	726,540
		<u>1,478,418</u>	<u>1,051,069</u>
TRADE & OTHER RECEIVABLES			
Accrued Revenues		184,818	705,312
Debtors - general		772,102	650,172
		<u>956,920</u>	<u>1,355,484</u>
INVENTORIES			
Stores & Materials		10,554	9,153
		<u>10,554</u>	<u>9,153</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

	2022				2023			
	\$'000				\$'000			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Road infrastructure	-	138,352	(49,875)	88,477	-	138,352	(55,409)	82,943
Buildings	-	277,199	(121,244)	155,955	-	283,676	(136,930)	146,746
Vehicles	-	164,768	(87,244)	77,524	-	183,567	(87,470)	96,097
Plant and equipment	-	3,813,144	(2,056,669)	1,756,475	-	4,103,801	(1,710,293)	2,393,508
Landfill cells	-	2,559,142	(1,596,991)	962,151	-	2,559,142	(1,747,156)	811,986
Leachate pond	-	173,938	(71,500)	102,438	-	173,938	(80,197)	93,741
Landfill rehabilitation	461,206	-	(289,933)	171,273	452,668	-	(308,963)	143,705
Landfill cell capping	1,537,083	-	(699,074)	838,009	1,587,807	-	(834,368)	753,439
WIP	-	43,660	-	43,660	-	18,413	-	18,413
Right of use assets	-	323,623	(145,629)	177,994	-	323,623	(194,172)	129,451
Total IPP&E	1,998,289	7,493,826	(5,118,159)	4,373,956	2,040,475	7,784,512	(5,154,958)	4,670,029
Comparatives	-	9,182,710	(4,438,060)	4,744,650	1,998,289	7,493,826	(5,118,159)	4,373,956

This Note continues on the following pages.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2022	Carrying Amounts Movement During the Year							2023	
	\$	\$							\$	
	Carrying Amount	Additions		Disposals	Dep'n	Impair't	Transfers		Adjustment	Carrying Amount
		New / Upgrade	Renewals				In	Out		
Road infrastructure	88,477	-	-	-	(5,534)	-	-	-	-	82,943
Buildings	155,955	4,300	2,177	-	(15,686)	-	-	-	-	146,746
Vehicles	77,524	-	67,749	(16,918)	(32,258)	-	-	-	-	96,097
Plant and equipment	1,756,475	101,773	1,009,787	(116,077)	(394,950)	-	36,500	-	-	2,393,508
Landfill cells	962,151	-	-	-	(150,165)	-	-	-	-	811,986
Leachate pond	102,438	-	-	-	(8,697)	-	-	-	-	93,741
Landfill rehabilitation	171,273	-	-	-	(19,030)	-	-	-	(8,538)	143,705
Landfill cell capping	838,009	-	-	-	(135,294)	-	-	-	50,724	753,439
WIP	43,660	11,253	-	-	-	-	-	(36,500)	-	18,413
Right of use assets	177,994	-	-	-	(48,543)	-	-	-	-	129,451
Total IPP&E	4,373,956	117,326	1,079,713	(132,995)	(810,157)	-	36,500	(36,500)	42,186	4,670,029
Comparatives	4,744,650	260,416	-	-	(680,098)	-	-	-	48,988	4,373,956

This note continues on the following pages.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

General Valuation Principles

Certain 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. Where applicable, accumulated depreciation calculated on the basis of such cost reflects the already consumed or expired future economic benefits of the asset.

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
Road construction & reconstruction	10,000

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

Office Equipment	3 to 5 years
Other Plant & Equipment	5 to 10 years

Infrastructure

Unsealed Roads	15 years
Fencing	15 years
Water Tanks	30 years
Litter Fence	5 years
Pumps	5 years
Monitor Bore	10 years
Buildings	20 years
Roads	25 years

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 7 - LIABILITIES

		2023		2022	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		797,083		744,440	
Payments received in advance		-	-	15,000	-
Accrued expenses - employee entitlements		92,512	-	-	-
Accrued expenses - other		-	-	765	-
Aged Care Facility Deposits					
Deposits, Retentions & Bonds					
GST Payable		46,840		43,173	
Other		39,518		43,952	
		975,952	-	847,330	-
BORROWINGS					
Leases Liabilities	16	51,170	90,434	48,825	141,604
Other		-	-	175,248	-
		51,170	90,434	224,073	141,604
PROVISIONS					
LSL Employee entitlements (including oncosts)		165,400	72,400	184,500	51,800
AL Employee entitlements (including oncosts)		104,074	-	154,149	-
Future reinstatement / restoration, etc		-	1,883,692	-	1,841,506
		269,474	1,956,092	338,649	1,893,306
Movements in Provisions - 2023 year only			<i>Future Reinstatement</i>	<i>Cell Capping</i>	<i>Total</i>
Opening Balance			461,206	1,380,300	1,841,506
Add (Less) Remeasurement Adjustments			(8,538)	50,724	42,186
Closing Balance			452,668	1,431,024	1,883,692

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

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 8 - 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	2023 \$	2022 \$
Total cash & equivalent assets	5	<u>1,478,418</u>	<u>1,051,069</u>

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

Net Surplus (Deficit)	428,099	384,136
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	810,157	680,098
Net increase (decrease) in unpaid employee benefits	43,936	58,839
Net (Gain) Loss on Disposals	<u>(16,270)</u>	<u>-</u>
	1,265,922	1,123,073
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	402,231	433,491
Net (increase) decrease in inventories	(1,401)	(7,195)
Net increase (decrease) in trade & other payables	<u>32,444</u>	<u>(31,511)</u>
Net Cash provided by (or used in) operations	<u>1,699,196</u>	<u>1,517,858</u>

(c) Non-Cash Financing and Investing Activities

Estimated future reinstatement etc. costs	<u>42,186</u>	48,988
	<u>42,186</u>	<u>48,988</u>

(d) 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	1,650,000	1,650,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: initially recognised at lower of cost and net realisable value, interest is recognised when earned.</p> <p>Terms & conditions: deposits on call have an average interest rate of 4.3% (2022: 1.55%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Fees and other charges	<p>Accounting Policy: carried at nominal values less any allowances for doubtful debts.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: liabilities are normally settled on 30 days after the month of invoice.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: carried at the principle amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, interest is payable quarterly and principle due at CAD end date.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Leases	<p>Accounting Policy: accounted for in accordance with AASB 16 as stated in Note 1.</p>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2023	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents	1,478,418			1,478,418	1,478,418
Receivables	908,573	-	-	908,573	956,920
Total	2,386,991	-	-	2,386,991	2,435,338
Financial Liabilities					
Payables	975,952	-	-	975,952	883,440
Current Borrowings	-	-	-	-	-
Lease Liabilities	54,852	93,742	-	148,594	141,604
Total	1,030,804	93,742	-	1,124,546	1,025,044
2022	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents	1,051,069	-	-	1,051,069	1,051,069
Receivables	1,383,072	-	-	1,383,072	1,355,484
Total	2,434,141	-	-	2,434,141	2,406,553
Financial Liabilities					
Payables	846,565	-	-	846,565	846,565
Current Borrowings	190,407	-	-	190,407	175,248
Lease Liabilities	53,776	148,595	-	202,371	190,429
Total	1,090,748	148,595	-	1,239,343	1,212,242

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

	30 June 2023		30 June 2022	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
LGFA cash advance debenture	-	-	1.75	175,248
Non interest bearing		975,952		846,565
		975,952		1,021,813

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS (con't)

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 impairment. 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 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.

Note 10 - EXPENDITURE COMMITMENTS

The Authority as at 30 June 2023 had no obligation for expenditure

Note 11 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED

There were no contingencies, assets or liabilities not recognised subsequent to 30 June 2023 that need to be disclosed in the financial statements.

Note 12 - EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There were no events subsequent to 30 June 2023 that need to be disclosed in the financial statements.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 13 – SUPERANNUATION

The Authority makes employer superannuation contributions in respect of its employees to Hostplus (formerly Local Government Superannuation Scheme and Statewide Super). 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 (10.5% in 2022-23; 10% in 2021-22). 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 2021-22) 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 119.34(a), 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 Willis Towers Watson as at 30 June 2021. 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.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 14 - FINANCIAL INDICATORS

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

	2023	2022	2021
Operating Surplus Ratio			
<u>Operating Surplus</u>	4.6%	4.7%	20.3%
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>	10%	13%	19%
Total Operating Income			

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

Asset Renewal Funding Ratio			
<u>Outlays on Existing Assets</u>	337%	0%	87%
Asset Renewals - IAMP			

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

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 15 - 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 Authority's finances.

	2023	2022
	\$	\$
Income		
<i>User charges</i>	6,157,023	5,725,347
<i>Grants, subsidies and contributions - Operating</i>	15,000	20,000
<i>Investment income</i>	18,014	915
<i>Other income</i>	2,674,892	2,509,049
	8,864,929	8,255,311
Expenses		
<i>Employee costs</i>	(1,814,004)	(1,608,869)
<i>Materials, contracts and other expenses</i>	(5,821,230)	(5,567,723)
<i>Depreciation, amortisation and impairment</i>	(810,157)	(680,098)
<i>Finance costs</i>	(7,709)	(14,485)
	(8,453,100)	(7,871,175)
Operating Surplus / (Deficit)	411,829	384,136
<i>Timing adjustment for grant revenue</i>	-	-
Adjusted Operating Surplus / (Deficit)	411,829	384,136
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(1,079,713)	-
Add back Depreciation, Amortisation and Impairment	810,157	680,098
Proceeds from Sale of Replaced Assets	149,265	-
	(120,291)	680,098
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(117,326)	(234,866)
Annual Net Impact to Financing Activities (surplus/(deficit))	174,212	829,368

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 16 - LEASES

The Authority as a Lessee

Right of Use Assets

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, being the land leased at Brinkley Landfill.

Set out below are the carrying amounts (written down value) of right of use assets recognised within Infrastructure Property, Plant & Equipment and the movements during the period:

Right of Use Assets (Carrying Value)	Land
At 1 July 2022	177,994
Depreciation Charge	(48,543)
At 30 June 2023	129,451

Set out below are the carrying amounts of lease liabilities (including under interest bearing loans and borrowings) and the movements during the period:

	2023
Opening Balance 1 July 2022	190,429
Accretion of Interest	6,593
Payments	(55,418)
Closing Balance 30 June 2023	141,604
Current	51,170
Non Current	90,434

The maturity analysis of lease liabilities is included in Note 9.

The Authority had total cash outflows for leases of \$53,776.

The following are amounts recognised on profit or loss:

Depreciation expense right of use assets	48,543
Interest expense on lease liabilities	6,593
Total amount recognised in profit and loss	55,136

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 17 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Chair, the Board, Executive Officer and certain prescribed officers under section 112 of the Local Government Act 1999. In all, Key Management Personnel were paid the following total compensation:

	2023	2022
	\$	\$
Salaries, allowances & other short term benefits	207,518	227,175
TOTAL	207,518	227,175

Allowances / benefits incurred in the ordinary course of performing the KMPs role, and amounts paid as direct reimbursement of expenses incurred on behalf of Authority have not been included above.

The following transactions occurred with related parties:

	2023	Outstanding 30 June 2023	2022	Outstanding 30 June 2022
	\$,000	\$,000	\$,000	\$,000
Adelaide Hills Council - provision of waste processing & disposal service	1,525	187	1,481	136
Alexandrina Council - provision of waste processing & disposal service	219	19	261	25
Mount Barker District Council - provision of waste processing & disposal service	1,325	119	1,260	109
Rural City of Murray Bridge - provision of waste processing & disposal service	771	69	885	62
TOTAL	3,840	394	3,887	332

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

Amounts recorded as outstanding from related parties are recorded in trade and other receivables in Note 6.

The related parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority. No Constituent Council individually has control of the policies.

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2023

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2023, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, 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.

Greg Georgopoulos
CHIEF EXECUTIVE OFFICER
Adelaide Hills Council



Date: 15 August 2023

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2023

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2023, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, 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.



.....
Trish Kirkland
ACTING CHIEF EXECUTIVE OFFICER
Alexandrina Council

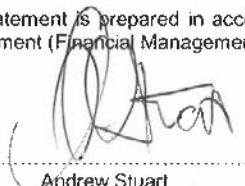
Date: 4 August 2023

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2023

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2023, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, 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 Stuart
CHIEF EXECUTIVE OFFICER
Mount Barker District Council

Date:

3/8/23

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2023

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2023, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, 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.



.....
Heather Barclay
CHIEF EXECUTIVE OFFICER
Rural City of Murray Bridge

Date: 02.08.2023

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Adelaide Hills Region Waste Management Authority for the year ended 30 June 2023, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



SAMANTHA CRETEN

Director

DEAN NEWBERY

31/07/2023



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ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY