

2024 2025 ANNUAL REPORT



AHRWMA
ADELAIDE HILLS REGION WASTE
MANAGEMENT AUTHORITY



CONTENTS

1	ABOUT AHRWMA	4
2	FROM THE OUTGOING INDEPENDENT CHAIRPERSON	6
3	GOVERNANCE	8
4	ACHIEVEMENT HIGHLIGHTS	10
5	PERFORMANCE AGAINST BUSINESS PLAN	17
6	ORGANISATION CHART 2024/25	21
7	AUDIT AND RISK COMMITTEE ANNUAL REPORT	22
8	AUDITED FINANCIAL STATEMENTS	36

ABOUT AHRWMA

The Adelaide Hills Region Waste Management Authority (AHRWMA) 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*.

The AHRWMA's primary business activity is the operation of a landfill and management of two Resource Recovery centres, and continues to grow offering logistical, processing, sale of recovered materials, education, advice and contract management services to our Member Councils. Several 'client Councils' also utilise the services of AHRWMA, highlighting the high-quality and cost effective service offered and the broader commitment to provide a true regional partnership.

The AHRWMA operates a landfill facility, currently receiving over 56,000 tonnes of material annually, with approximately 43,000 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 Resource Recovery Centres receive and process more than 14,400 tonnes of material each year, with over 85% of the material successfully recovered and diverted from landfill – achieving a strong resource recovery rate and reducing environmental impact. Resources recovered include e-waste, chemical containers, polystyrene, cardboard, tyres, mattresses, green organics and concrete. We also receive household chemicals and batteries for environmentally appropriate storage, management and disposal.





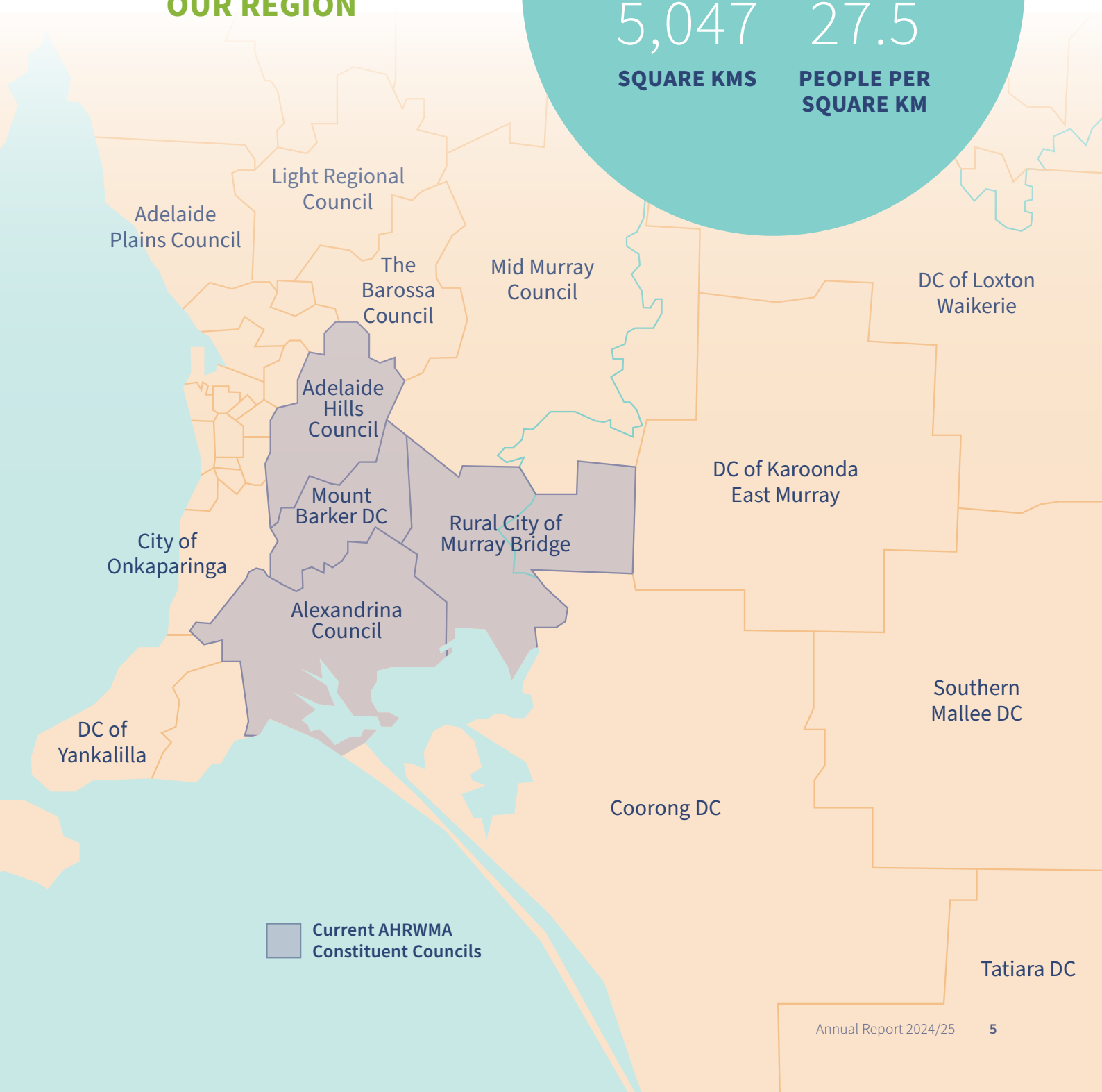
POPULATION

138,874

5,047 27.5

SQUARE KMS PEOPLE PER SQUARE KM

OUR REGION



FROM THE OUTGOING INDEPENDENT CHAIRPERSON

Serving as the inaugural Independent Chair of AHRWMA over the last three years has been a privilege and a rewarding experience.

The Authority has grown in capability, confidence, ambition, and strategic clarity and with the delivery of the *Strategic Plan 2024–34* and the *Regional Education Plan 2024–29*, AHRWMA has clear, future-focused roadmaps to guide regional waste management, resource recovery, and community engagement for the decade ahead.

These plans are the product of sustained collaboration – between the Board, staff, Member Councils, and stakeholders. They reflect where AHRWMA aspires to be: innovative, collaborative, and a leader in the circular economy.

The Authority’s achievements over the last three years have been possible due to having strong and committed leadership. I would like to acknowledge the significant contribution of Ms Leah Maxwell, who concluded her tenure as Executive Officer in late 2024 after over seven years in the Executive Officer role (including time in an acting capacity). Leah guided AHRWMA through a range of operational and strategic challenges with integrity, insight, and a firm resolve to deliver efficient, reliable, and cost-effective services to our Member Councils.

Leah’s leadership laid the foundations for much of what has been achieved in recent years — from strengthened governance to AHRWMA’s entry into the circular economy space, which is now the centrepiece of our new Strategic Plan. Her legacy is enduring, and AHRWMA is stronger for her efforts.

Over the past year, AHRWMA has delivered on numerous initiatives. The successful tender for hooklift truck services with Tatiara District Council marked a step forward in regional collaboration. The inaugural Strategy Day for Mayors and CEOs was another highlight — solidifying alignment and gaining commitment to the delivery of the strategy and for continued open dialogue on future challenges and shared opportunities.

AHRWMA also secured four Green Industries SA grants during the year, supporting infrastructure upgrades and site development planning. These successful applications reflect a proactive, well-aligned approach to planning and investment — and position AHRWMA to meet future regional needs with confidence.

Operationally, the business continues to deliver services effectively and efficiently, with prudent fiscal management and investment infrastructure needed to support long-term sustainability. Provisions for end-of-life landfill requirements have been independently verified and are now fully integrated into AHRWMA’s long-term financial plan.

The objectives set out in the Strategic Plan are ambitious. Progressing these goals will require strong governance, solid partnerships, and a continued focus on value for our Member Councils and their communities.

**“AHRWMA HAS
CLEAR, FUTURE-FOCUSED
ROADMAPS TO GUIDE REGIONAL
WASTE MANAGEMENT,
RESOURCE RECOVERY, AND
COMMUNITY ENGAGEMENT”**

I am pleased to 'hand the reins' to Mr. Paul Sandercock, who commences as Independent Chair at a time of considerable opportunity. With his leadership and the dedication of AHRWMA's capable staff and engaged Board, and the support of Member Councils, I have every confidence the Authority will continue to thrive and deliver impactful environmental and economic outcomes for the region. To the Board, the CEO, the staff, and our valued stakeholders — thank you for your professionalism, collaboration, and commitment. It has been an honour to serve as Chair, and I look forward to applauding AHRWMA's continued success.

And finally, I am pleased to present the Annual Report for the 2024/25 fiscal year.

ADRIAN SKULL

Outgoing Independent
Chairperson



GOVERNANCE

BOARD MEMBERS JUNE 2025

The AHRWMA is administered by a Board in accordance with the requirements of the *Local Government Act 1999*, the AHRWMA's Charter and applicable policies. The Board is responsible for the overall governance, management and strategic direction, ensuring that the Authority acts in accordance with its Charter. The Board's responsibilities include development of strategic and business directions and strategies, aimed at improving the business of the Authority. The Board appoints a Chief Executive Officer, responsible for implementing the Board's vision and managing the day-to-day operations of the Authority.

INDEPENDENT CHAIR



PAUL SANDERCOCK

1 of 1 Meeting

MOUNT BARKER DISTRICT COUNCIL



ALEX OULIANOFF

Board Member
5 of 6 Meetings



CR IAN GROSSER

Deputy Board
Member
1 Meeting

ADELAIDE HILLS COUNCIL



CR CHRIS GRANT

Board Member
4 of 4 Meetings



JOHN MCARTHUR

Deputy Board
Member
1 Meeting

RURAL CITY OF MURRAY BRIDGE



CR TOM HAIG

Board Member
5 of 6 Meetings



BRAD WARNCKEN

Deputy Board
Member

ALEXANDRINA COUNCIL



CR MICHAEL SCOTT

Board Member
5 of 6 Meetings



ALAN HARVEY

Deputy Board
Member

Note: Deputy Board
Members attend meetings
only as required.



AUDIT AND RISK COMMITTEE

The Audit and Risk Committee provides independent assurance and strategic advice to the Board on matters relating to accounting, financial management, internal controls, risk management, and governance. Collectively, the Committee possesses extensive expertise across finance, governance, law, local government, commerce, and strategic planning. This depth of knowledge makes the Committee a valuable asset to the AHRWMA. The Committee has prepared an Annual Report for the Board, which is an appendix to this report.

ACHIEVEMENT HIGHLIGHTS

GOAL 1: BEST PRACTICE

PHYTOCAP PLAN PROGRESSION FOR CELL 6A CAPPING

Engineering designs for the cap on Cell 6A have been submitted to the EPA for approval. Once approved, construction will begin on a cap specifically designed to support indigenous flora. This cap will serve the dual purpose of minimising rainwater from infiltrating the waste mass and containing the landfill gases generated within.



GOAL 2: COLLABORATE

INAUGURAL MAYORS AND CEOS STRATEGY DAY – SETTING THE SCENE FOR THE FUTURE

In 2024/25, AHRWMA held its first Mayors and CEOs Strategy Day, strengthening engagement with Constituent Councils and aligning leaders on bold strategic priorities. With a clear focus on reducing reliance on landfill and moving toward a circular economy, the event positioned AHRWMA for stronger partnerships and long-term sustainability and viability.

The successful event is set to become a standing annual fixture, to cement two-way strategic engagement with Constituent Councils leaders and ensure a shared understanding of the priorities and direction of the AHRWMA in an ever-changing and highly regulated industry.

SUPPORTING COUNCILS WITH KERBSIDE SERVICE IMPROVEMENTS

AHRWMA played a central role in supporting both the Mount Barker District Council (MBDC) and the Rural City of Murray Bridge (RCMB) with technical guidance on kerbside collection services.

Starting in May, all residential and business kerbside bins across RCMB were replaced due to age, with lid colours updated to meet national standards. AHRWMA provided coordination across logistics, community communications, and stakeholders including SOLO, Green Industries SA, and RCMB's communications team. The outcome delivered a durable bin fleet, compliant with Australian Standards AS 4123.7-2006, and enhanced community waste and recycling education through the "Which Bin?" campaign.

For MBDC, AHRWMA supported an assessment of alternative kerbside service models with the goal to improve landfill diversion and service efficiency. This feasibility work—aligned with MBDC's Waste to Resources Management Plan—evaluated environmental and financial impacts, legislative requirements, and community consultation approaches. It also contributed to MBDC's successful bid for a Green Industries SA grant to advance the investigation.





SHAPING POLICY AND STRATEGY – GREEN INDUSTRIES SA AND SOUTH AUSTRALIA’S WASTE STRATEGY 2025-2030

AHRWMA actively contributed advice and feedback to both the EPA and Green Industries SA on the Environmental Protection (Waste to Resources) Policy and the State Waste Strategy 2025–2030.

This engagement included detailed written submissions, participation in consultation sessions, and close coordination with our Member Councils to ensure their operational experiences and regional perspectives were strongly represented. Through this work, AHRWMA is helping to shape the future direction of waste management policy in South Australia.

COMMUNITY EDUCATION AND TOURS

AHRWMA delivered a wide-ranging community education program to promote waste awareness, behaviour change, and understanding of local resource recovery initiatives.

- **Educational Tours**

In partnerships with KESAB Environmental Solutions and the Murraylands and Riverland Local Government Association, AHRWMA hosted bus tours for residents and elected members of Client and Constituent Councils, visiting Peats Soils, the Brinkley Waste and Recycling Facility, and the Brinkley ReUse Centre. Participants gained insights into organics processing, landfill operations, recycling, and reuse initiatives, fostering knowledge-sharing and appreciation for local circular economy efforts.

- **‘Which Bin?’ Campaign**

AHRWMA actively supported the ‘Which Bin?’ campaign, promoting consistent kerbside bin messaging and sharing educational resources through the My Local Services app, workshops, social media, and library displays. This initiative is supported by Green Industries SA (GISA), providing funding, guidance, and resources to ensure statewide consistency and quality.

Through these initiatives, AHRWMA strengthened community understanding of waste management, encouraged positive behaviour change, and supported sustainable practices across its Client and Constituent Councils.

MONARTO SAFARI PARK REUSE INITIATIVE

The reuse of material can come in many different forms. In December 2024, AHRWMA delivered a hooklift load of aged timber stumps to Monarto Safari Park, where they were repurposed as enrichment items for the white rhinos and elephants. This initiative diverted organic material from landfill, demonstrated innovative resource recovery, and strengthened community partnerships. The project was well received by the Park and featured in the Murray Valley Standard for its environmental and animal welfare benefits. At AHRWMA we have a strong community and environmental focus that reaches beyond the strict waste and recycling realm, as this project highlights.

TATIARA COUNCIL HOOKLIFT TRUCK SERVICES

In 2024/25, AHRWMA commenced hooklift truck services for Tatiara Council following a successful tender. AHRWMA now manages the Council’s waste transport to the Brinkley site and delivers recyclables to the Northern Adelaide Waste Management Authority Materials Recovery Facility, providing an efficient and reliable service.

This new contract represents a significant achievement, creating an alternate income stream while supporting regional collaboration, community needs, and reinforces AHRWMA’s standing as a trusted and capable service provider.

EMBEDDED BATTERY DROP-OFF EVENT AT HEATHFIELD

In November 2024, the Heathfield Resource Recovery Centre hosted a state-funded Embedded Battery Drop-Off Event, giving the community a safe way to dispose of hazardous items like electric bikes, scooters, and headphones. With over 1,000 battery-related fires reported nationally last year in waste facilities, the initiative reinforced AHRWMA’s commitment to sustainability, fire risk reduction, and practical community solutions.

DID YOU KNOW?

Lithium ion batteries can be dropped
off free of charge at anytime at the
Brinkley & Heathfield Resource
Recovery Centres



GOAL 3: EMPOWERED COMMUNITY

RECYCLING HUB EXPANSION

AHRWMA has been hard at work, rolling out recycle hubs to help communities responsibly dispose of recyclables that don’t belong in landfill. It’s not enough to say “don’t throw it out” — AHRWMA is giving people real, green solutions. A new hub installed at the Mount Barker District Library, adds to the existing library locations at Stirling, Woodside, Gumeracha and Murray Bridge.

Each hub has dedicated slots for batteries (nickel recovery), e-waste (copper recovery), x-rays (mercury recovery), and more.

AHRWMA collects the materials, and already, thousands of kilos have been recovered! The community is excited, with many expressing how thrilled they are to finally have a simple solution for their recyclables. Libraries are happy too, with increased foot traffic thanks to the hubs.



HUB’S RESOURCE RECOVERY IN ACTION 2024/25

	Mobile Phone (Kg)	Cords (Kg)	Batteries (Kg)	X-Rays (Kg)	E-Waste (Kg)	Total (Kg)
Stirling	65.5	134.5	256.5	338.5	237.5	1,032.5
Woodside	19	18.5	87.25	82.25	71.5	276
Gumeracha	10	19	75.75	44.5	39	188.25
Mt Barker	19	49.75	101.25	74.25	162	406.25
Murray Bridge	45.5	74.75	181.5	218.5	234.75	755

Total (Kg)

2,658

GOAL 4: GOOD GOVERNANCE

APPOINTMENT OF NEW INDEPENDENT BOARD CHAIR

AHRWMA welcomed Paul Sandercock as its new Independent Chairperson. Paul brings over 30 years of senior leadership experience across public and private sectors, with expertise in sustainability, strategic performance, and the circular economy.

His extensive background in manufacturing, agritech, and resource recovery, combined with board experience at Green Industries SA, positions him well to guide AHRWMA's next growth phase.



APPOINTMENT OF CHIEF EXECUTIVE OFFICER

AHRWMA welcomed Rob Gregory as Chief Executive Officer on 25 November 2024. Rob brings extensive leadership experience across local government and environmental sectors.

He previously served as General Manager of East Waste for seven years, overseeing waste collection services for eight member councils. In this role, he managed significant operational budgets, a large workforce, and a substantial asset portfolio. Rob is recognised for his collaborative leadership style commitment to continuous improvement and positive organisational change.



ADOPTION OF THE 2024-34 STRATEGIC PLAN

Ongoing changes in the waste and resource recovery landscape offered AHRWMA the opportunity to adapt and refine its services to maximise benefits for our Constituent Councils. This Strategic Plan acknowledges AHRWMA's role as a leader, service provider, and educator in waste and resource management not only for our Constituent Councils but the wider region. Developed during a period of shifting priorities and increased environmental focus, the plan addresses the need for future waste reduction, the promotion of a circular economy, and the implications of evolving compliance requirements. This plan has been approved by the Constituent Councils, adopted by the Board, and is now in action!

ADOPTION OF THE REGIONAL EDUCATION PLAN 2024-29

This Regional Education Plan is designed to deliver impactful, targeted education programs across the region. Aligned with the South Australian government's priorities for building a Circular Economy, the plan focuses on enhancing community knowledge, attitudes, and behaviours to maximise resource recovery and reduce landfill waste at Brinkley. It supports the AHRWMA's Strategic Plan, particularly the goal of fostering an empowered community.

INDEPENDENT VERIFICATION OF CAPPING AND POST CLOSURE PROVISIONS

An independent assessment of capping and post-closure liabilities was conducted to validate the adequacy of financial provisions for long-term landfill obligations. The review, led by Don Richardson of WSP, underpins the AHRWMA's calculation methodology. The review highlighted the previous planning provisions were well-considered and accurate and, in a move to reduce future potential risk, a decision to move from a 20-year to a 30-year post-closure timeframe was endorsed. This adjustment reflects industry best practice and aligns with EPA guidelines. The Board and Audit and Risk Committee endorsed the findings, reinforcing the Authority's commitment to prudent financial and environmental stewardship.

GRANT SUCCESS WITH GREEN INDUSTRIES SA

In 2024/25, AHRWMA secured four Green Industries SA grants to advance its strategic priorities. The funding will deliver new Brinkley site signage under the "Which Bin?" campaign, an opportunities assessment for future site use, additional hooklift bins to boost service capacity, and a new forklift to modernise equipment. These outcomes highlight AHRWMA's commitment to innovation, sustainability, and regional collaboration. AHRWMA acknowledges the positive working relationship and support provided by Green Industries SA in driving improved and more efficient recycling and reuse of materials.



MANAGING DIFFICULT WASTE STREAMS AND DRIVING A CIRCULAR ECONOMY

Diverted, Recovered and Reprocessed

542 tonnes	of steel
128 tonnes	of non-ferrous metals (including copper)
325 tonnes	of cardboard
136 tonnes	of mattresses
89 tonnes	of e-waste
24 tonnes	of tyres
17.5 tonnes	of polystyrene and hard plastics
3 tonnes	of household batteries
1 tonnes	of x-rays



**Over 4,500
tonnes**

**OF SOIL, CONSTRUCTION AND
DEMOLITION MATERIAL
DIVERTED FROM
LANDFILL**

**Over 5,375
tonnes**

**OF GREEN ORGANICS
PROCESSED INTO MULCH
AND COMPOST**

**SAFELY DISPOSED
60 tonnes
OF CHEMICALS**

PERFORMANCE AGAINST BUSINESS PLAN

GOAL 1: BEST PRACTICE

Strategic Plan Action	2024/25 Performance Indicator	Rationale	Status
Investigate and implement a bulk up facility at Brinkley or a central locale to increase transport efficiencies.	Feasibility study commenced.	Increase economies of scale and achieve better outcomes for Council.	Opportunity assessment for Brinkley Waste and Recycling Facility underway.
Consider land tenure.	Progress land tenure review.	Ensure forward planning.	Action deferred to 2025/26.
Continue to investigate and implement circular economy programs and projects that increase resource recovery and create community benefit.	Programs and projects are considered and implemented where deemed viable and beneficial, as determined by the Circular Economy Officer, Chief Executive Officer and Constituent Councils where applicable.	Increase resource recovery and create community benefit.	Business case for sale of crushed concrete aggregate; opportunity assessment for Brinkley Waste and Recycling Facility; textile recycling information report; all in progress.
Review and enhance construction and demolition processes.	Review completed Business case and findings implemented.	Increase resource recovery and create community benefit.	Business case for sale of crushed concrete aggregate in progress.
Continue to monitor advances in the latest developments in waste management nationally and internationally and share this information with stakeholders.	Attend industry meetings and relevant forums/ conferences/ information sessions.	Continue to establish the AHRWMA as a leader in the field and ensure knowledge sharing.	Active engagement of senior staff through industry representative groups, forums and conferences. Operations Manager attended the National Waste Conference.
Evaluate kerbside service models and consider best practice options for Constituent Councils to minimise waste to landfill.	An evaluation of kerbside service models will be undertaken, with a report presented to the Board and communicated to Constituent Councils.	Assist Constituent Councils in assessing their options to increase resource recovery and decrease waste to landfill.	AHC is currently progressing plans to implement alternative kerbside service in some areas. MBDC has deferred until 2025/26.
Measure emissions and set an emissions reduction target.	Emissions baseline will be established and a reduction target will be set.	Prioritise projects that minimise carbon emissions and assist Constituent Councils to meet emissions.	Action deferred to 2025/26. Attending Net Zero Accelerate Workshops facilitated by LGA(SA). 3 of 4 workshops completed.

GOAL 2: COLLABORATE

Strategic Plan Action	2024/25 Performance Indicator	Rationale	Status
Provide responses on behalf of Constituent Councils to State, Federal and other communications regarding legislation/ policy changes etc.	Regional responses to organisations and agencies provided as required.	Represent Constituent Councils, the region and Local Government, on waste management issues to all stakeholders. Position the AHRWMA as a leader in the field.	LGA Circular Economy Snapshot survey; Federal Government review of Recycling and Waste Act; Review of (SA) Environmental Protection Policy. Feedback on draft GISA SA Waste Strategy (2025-30) all completed.
Maximise our presence across Constituent Councils and within the waste and Local Government sectors.	Attend WMRR meetings and actively participate in State and Federal waste/resource recovery LGA/State/Federal/ industry groups. Represent Constituent Councils in all relevant forums, with Constituent Councils' support.	Encourage the Constituent Councils to consider the AHRWMA as the point of contact for waste and resource matters.	Active engagement of senior staff through industry representative groups, forums and conferences. The Operations Manager attended National Waste Conference.
Implement projects that engage and connect with Constituent Councils and other stakeholders across the region.	Facilitate quarterly knowledge sharing forum with Constituent Councils.		Knowledge Sharing Forum hosted at Brinkley in March. Attended by AHC and MBDC. The June Knowledge Sharing Forum was hosted by MBDC.
	Distribute a quarterly newsletter.		Complete
Support Constituent Councils to utilise the AHRWMA and the services we offer and collaborate regionally to achieve economies of scale.	Facilitate individual annual meetings and collective biannual meetings with Constituent Council CEOs.		Inaugural Mayor's and CEOs Strategy Day was held in February 2025. This was a success and now scheduled as an annual event.
	Deliver annual presentations to Constituent Council Elected Members.		Consultation on the Annual Plan was offered to all Constituent Councils. 2 out of 4 Constituent Councils accepted.
Pursue considered opportunities to expand the scope of input streams to the Brinkley Landfill and identify additional revenue streams.	Host annual meetings with neighbouring Local Government Council representatives and major commercial customers.	Expand service provisions to ensure long term financial sustainability.	Landfill tour for Renmark and Paringa was hosted in June. Engagement with Murraylands Riverland LGA.

GOAL 3: EMPOWERED COMMUNITY

Strategic Plan Action	2024/25 Performance Indicator	Rationale	Status
Implement a wide-reaching regional education program in collaboration with Constituent Councils, other stakeholders such as GISA, collection partners and other subsidiaries.	Regional Education Plan finalised and program implemented.	Develop and delivered a regional education plan and program.	Plan finalised and adopted. Delivery is ongoing.
Support community groups by providing information on resource recovery and waste management.	Presentations and education sessions undertaken with community groups across the region.	Connect with community groups that align with the values of the AHRWMA.	KESAB tours conducted 2024/25 and will continue in 2025/26. Plastic Free July resources to be distributed.
Implement an annual awards program for community groups and businesses for efforts relating to resource recovery and the circular economy.	Awards program implemented.	Recognise community and business efforts with an annual award.	No action taken. Action on hold.

GOAL 4: GOOD GOVERNANCE

Strategic Plan Action	2024/25 Performance Indicator	Rationale	Status
Commence Brinkley site master plan.	Site master plan commenced.	Ensure adequate future planning.	Drafting of RFT documentation commenced.
Achieve best practice hazard reporting.	Strengthen staff training and awareness programs to encourage increased hazard recognition and reporting.	Continue to implement and improve WHS and governance programs.	A new risk inspection tool has been introduced, based on our maturing WHS system, to monitor our processes.
Achieve no lost time injuries.			Achieved. No time lost to injuries.
Complete a landfill pricing review.	Pricing review completed to inform future pricing adjustments.	Ensure adequate fees are charged.	Complete
Review Audit and Risk Committee's Terms of Reference.	Terms of reference reviewed in accordance with the Local Government Act.	Ensure good governance practices.	Complete

FINANCIAL INDICATORS

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

Indicators	Adopted Target	Original Budget	Year End Actual
Operating Surplus/(Deficit)	2% to 6%	3%	1.3%
Net Financial Liabilities Ratio	<55%	31%	18%
Asset Renewal Funding Ratio	90% to 110%	100%	22%

The AHRWMA recorded a modest operating surplus of \$142K for 2024/25. The operating surplus ratio ended at 1.3%, falling short of the 3% budget target and the adopted target of 2–6%. This result reflects tighter margins driven by lower-than-expected user charges, increased employee costs, and higher finance costs linked to reinstatement provisions.

The net financial liabilities ratio for 2024/25 was 18%, an improvement on the original budgeted ratio of 31% and well within the adopted target of less than 55%. This favourable outcome reflects strong cash reserves at year-end, boosted by the delayed renewal of the compactor, and a conservative approach to borrowings, with no new debt incurred during the year. The result demonstrates the Authority's sound financial position and capacity to meet its obligations without placing undue pressure on future revenue streams.

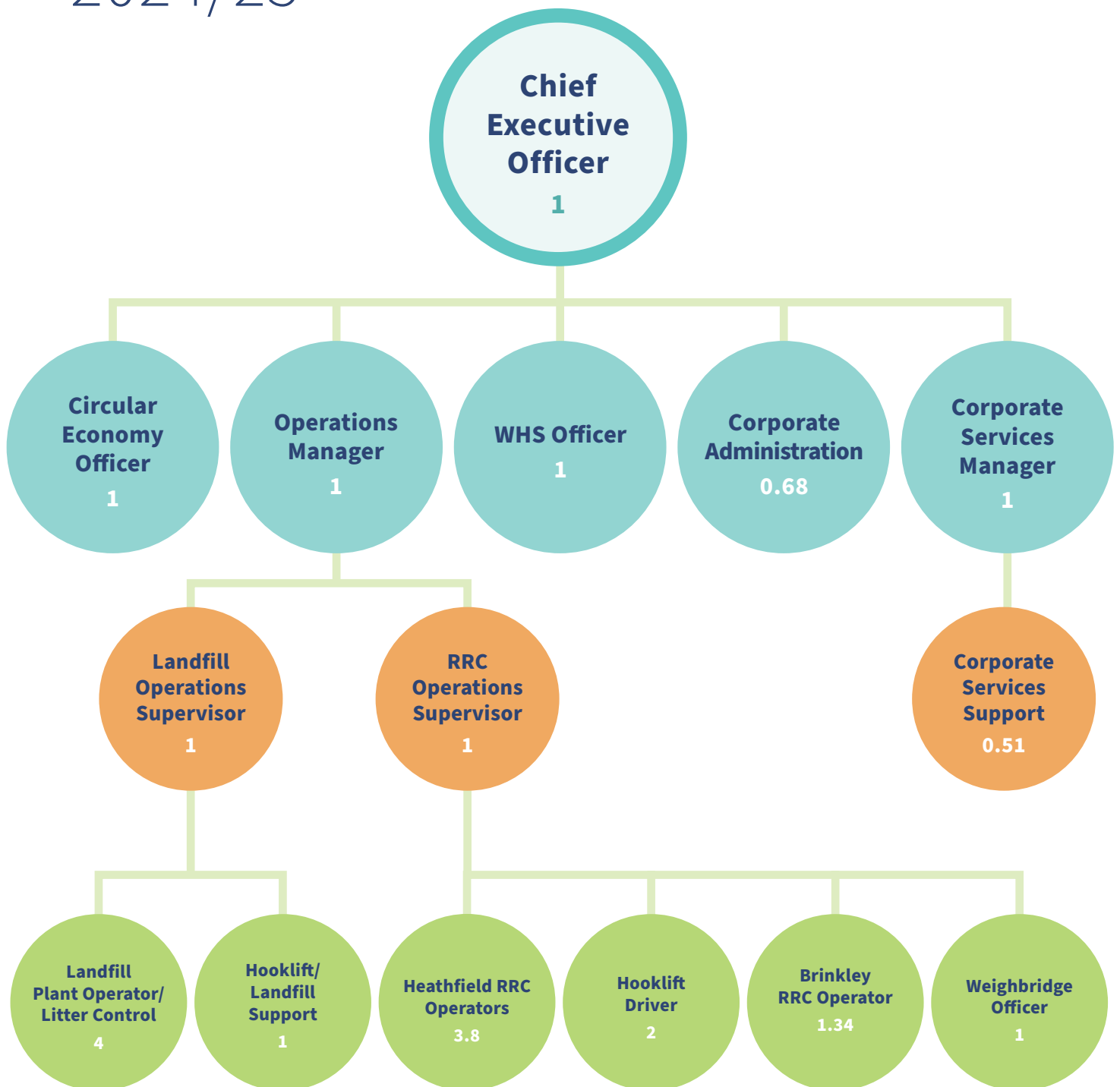
The AHRWMA's asset renewal funding ratio for 2024/25 was 22%, falling below the adopted target of 90–110% and the original budget of 100%. This outcome was primarily driven by strategic adjustments to the capital replacement schedule, including the deferral of the landfill compactor renewal due to supply chain delays, the retention of the dump truck following a favourable condition assessment, and the decision to expand the hooklift truck service by purchasing a second truck rather than replacing the existing one. These changes reflect a responsive and efficiency-focused approach to asset management, balancing operational needs with financial prudence. While the ratio is temporarily impacted, the AHRWMA remains committed to aligning future renewal investment with long-term asset sustainability and service delivery goals.



6

ORGANISATION CHART

2024/25



7

AUDIT AND RISK COMMITTEE **ANNUAL REPORT**



AUDIT & RISK COMMITTEE

ANNUAL REPORT 2024/25



TABLE OF CONTENTS

1	THE ROLE OF THE COMMITTEE	2
2	LETTER FROM THE CHAIR.....	3
3	MEMBERSHIP OF THE COMMITTEE.....	4
4	COMMITTEE MEMBER OVERVIEW.....	5
5	HOW THE COMMITTEE DISCHARGED ITS RESPONSIBILITIES	6
6	KEY ACTIVITIES AND ACHIEVEMENTS	8
7	AUDIT AND RISK COMMITTEE EVALUATION	10
8	AUDIT AND RISK COMMITTEE SKILLS ASSESSMENT	11
9	PLANS FOR FY2026.....	12

1 THE ROLE OF THE COMMITTEE

Audit and Risk Committees are an important, legislatively required and key component of the local government framework.

Their function is to provide an independent, high level resource to support good governance and strong public financial management. Their purpose is to provide the Board independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes.

The Audit and Risk Committee operates in accordance with the AHRWMA Audit and Risk Committee Terms of Reference (ToR) and Authority Charter. The ToR details the objectives and role of the Committee.

The Committee's responsibilities include, but are not limited to, the following matters with a view to bringing any relevant issues to the attention of the Board:

- Oversight of the integrity of the Authority's financial reporting and sustainability;
- Oversight of governance, risk management and internal control arrangements;
- Oversight of the external auditors' performance, objectivity, and independence;
- Oversight of the performance of the internal audit function;
- Provide independent assurance and advice to the Board on accounting, internal audit, financial management, internal controls, risk management and governance matters; and
- Provide effective liaison between the External Auditor and the Board.



2 LETTER FROM THE CHAIR

Dear Board Members,

As Chair of the Audit and Risk Committee, I am pleased to present our annual report for the 2024/25 financial year.

This past year, the Committee has continued to provide strong and independent oversight of the Authority's financial reporting, internal controls, risk management, and governance practices. We remain committed to supporting the Board by reviewing and advising on key documents, including the Long Term Financial Plan, Asset Management Plan, Annual Business Plan and Budget, Annual Report, financial statements, budget reviews, and major policies.

In 2024/25, the Committee sought to strengthen internal controls by the appointment of an internal auditor and commencement of assurance mapping to inform the development of a three year internal audit plan. We monitored the implementation of the Authority's internal control framework and reviewed updates to key risk and compliance registers. We progressed a review of landfill gate pricing and finalised the review of capping and post closure liabilities ensuring an informed financial position. We supported audit actions and the refinement of financial and governance processes that align with best practice and the Authority's strategic direction. The Committee oversaw the appointment of a new external auditor for 2024/25 and expresses its thanks to our previous auditor Dean Newbery & Partners.

We also undertook our annual self-assessment and made further improvements to the Committee's work program to ensure our activities continue to add value and remain aligned with the Board's expectations. I would like to take this opportunity to thank my fellow Committee members, Rebecca Wilson and Alex Oulianoff, for their continued commitment and thoughtful contributions. Their combined expertise has ensured that the Committee remains focused, effective, and constructive in its approach.

Looking ahead, the Audit and Risk Committee remains dedicated to strengthening the Authority's governance framework and supporting the Board in managing risk, achieving compliance, and ensuring financial accountability.

We appreciate the Board's continued trust and support and look forward to the year ahead.

Yours sincerely,

Elizabeth Williams
Independent Chair, Audit and Risk Committee
Adelaide Hills Region Waste Management Authority

3 MEMBERSHIP OF THE COMMITTEE

During 2024/25, the Audit and Risk Committee comprised three members: two independent members (including the Independent Chair) and one AHRWMA board member. The Committee met on five occasions throughout the year, with the external auditor in attendance at the September 2024 meeting.

Through its annual self-assessment process, the Committee has confirmed that its current members possess the necessary competence, along with recent, relevant, and extensive experience.

To further strengthen governance and reduce the risk of quorum issues, the Board has resolved to expand the Committee to four members. In line with the Committee's Terms of Reference, the additional member will be appointed as an independent member and this will occur in early 2026.

The current Committee membership is as follows:

Audit and Risk Committee Membership

Member	Representative	Initial Appointment	Current Term	Expires
Independent Member	Elizabeth Williams	8 February 2023	3 Years	8 February 2028
Independent Member	Rebecca Wilson	8 February 2023	2 Years	8 August 2026
AHRWMA Board Member	Alex Oulianoff	2 September 2022	3 Years	21 September 2027

Office Bearers	Chairperson	Term	Appointed	Expires
Independent Member	Elizabeth Williams	3 Years	8 February 2023	8 February 2028

4 COMMITTEE MEMBER OVERVIEW

Elizabeth Williams

Elizabeth Williams is an accomplished Masters and CPA qualified senior executive with extensive public service experience. As the Chair of the Audit and Risk Committee, she brings a wealth of knowledge and a deep understanding of various organisational functions.

Her dedication to long-term planning, coupled with her passion for process improvement and best practice customer service, underscores her commitment to excellence. With a strong background as a former AHRWMA board member, Elizabeth is unwavering in her pursuit of the sustainable growth and continued success of the Authority.



Rebecca Wilson

Rebecca is a seasoned leader with expertise in legal, governance, risk, and compliance, having worked across industries like banking, finance, local government, and statutory bodies.

After practicing law, she transitioned to governance roles, including Company Secretary for the Seafood Cooperative Research Centre and Chief Risk Officer at the Royal Automobile Association (RAA).

Currently, she is the Registrar for the Veterinary Surgeons Board of South Australia. She is the director of the Boards of St John Ambulance SA, the Mary Potter Hospice Foundation, Kudos and Green Industries SA, and she is a member of the Flinders Law School Advisory Board.



Alex Oulianoff

Alex is an experienced and dynamic finance professional with over 18 years of experience in both the public and private sectors. Currently the General Manager of Corporate Services for Mount Barker District Council and Board member of the Authority, he brings a wealth of knowledge and strategic insight.

Holding a bachelor's degrees in Commerce, Laws, and Legal Practice, along with a FCPA and GAICD accreditation, Alex has spent the last 14 years in local government, demonstrating how commercial acumen can deliver exceptional public value.



5 HOW THE COMMITTEE DISCHARGED ITS RESPONSIBILITIES

KEY AUDIT AND RISK COMMITTEE ACTIVITIES					
	Sept 2024	Nov 2024	Feb 2025	March 2025	May 2025
FINANCIAL REPORTING	✓				
BUDGET REVIEWS		✓	✓		✓
CONSIDERED FY2024 FINANCIAL RESULT COMPARISON	✓				
REVIEWED 2024/25 BUDGET AND ANNUAL BUSINESS PLAN				✓	
REVIEWED EXTERNAL AUDITOR SERVICES RFQ AND CONSIDERED THE APPOINTMENT OF THE EXTERNAL AUDITOR		✓			
REVIEWED INTERNAL AUDIT SERVICE RFQ		✓			
CONSIDERED THE FY2024 MANAGEMENT REPRESENTATION LETTER	✓				
SKILLS MATRIX AND SELF- ASSESSMENT					✓
CONSIDERED CAPITAL REPLACEMENT OF SIGNIFICANT PLANT			✓		
CONSIDERED ASSURANCE MAPPING AND THE DEVELOPMENT OF AN INTERNAL AUDIT PLAN					✓
MET WITH EXTERNAL AUDITORS	✓				
REVIEWED THE CREDIT CARD FACILITY			✓		
CONSIDERED FY2025 ARC WORK PLAN	✓				
ARC ANNUAL REPORT TO THE BOARD	✓				

KEY AUDIT AND RISK COMMITTEE ACTIVITIES					
	Sept 2024	Nov 2024	Feb 2025	March 2025	May 2025
CONSIDERED THE REVISION OF THE ASSET MANAGEMENT PLAN		✓			
CONSIDERED FY2024 AUDIT COMPLETION REPORT	✓				
FY2024 EXTERNAL AUDIT PLAN				✓	
POLICY REVIEWS	✓	✓		✓	✓
REVIEWED GENERAL PURPOSE FINANCIAL REPORTS AND ANNUAL REPORTS FOR THE YEAR ENDED 30 JUNE 2024	✓				
CONSIDERED THE LONG TERM FINANCIAL PLAN REVIEW					✓
BUSINESS CONTINUITY PLAN REVIEW					✓
CONSIDERED THE LANDFILL GATE PRICING REVIEW			✓		
CONSIDERED THE INDEPENDENT REVIEW CAPPING AND POST CLOSURE LIABILITIES					✓
STRATEGY DAY SUMMARY			✓		
CONSIDERED THE ADDITION OF BANK SIGNATORIES					✓

6 KEY ACTIVITIES AND ACHIEVEMENTS

Below is a summary of the Committee's key activities and areas where advice and guidance was provided to the Board. All Committee recommendations were adopted by the Board.

Plans and Policies

The Audit and Risk Committee reviewed a range of the Authority's key governance and financial plans and policies to ensure they remain fit-for-purpose and aligned with strategic, financial, and operational objectives. This review included the:

- Budget Management Policy;
- Disposal of Assets Policy;
- Behaviour Standards Policy;
- Asset Management Policy;
- Debt Recovery Policy;
- Risk Management Policy (including the Risk Rating Matrix);
- Treasury Management Policy; and
- Business Continuity Plan.

Draft Financial Statements FY2024 and Annual Report

The Audit and Risk Committee oversaw the completion of AHRWMA's 2023/24 financial reporting cycle, including review of the General Purpose Financial Reports, CCI Schedule, and Annual Report. The Audit and Risk Committee received and considered the external audit report from Dean Newbery, which confirmed the financial statements fairly present the Authority's position and identified no significant deficiencies, fraud, or compliance issues.

The Audit and Risk Committee noted the Authority achieved a net surplus, with financial ratios exceeding targets, and recommended Board adoption of the financial statements. The Committee also requested and reviewed an independent assessment of landfill capping and post-closure provisions, ensuring long-term financial sustainability and alignment with best practice.

Capital Replacement of Significant Plant Update

The Audit and Risk Committee reviewed Administration's proposed adjustments to the replacement schedule for three key plant assets: the dump truck, one landfill compactor, and the hooklift truck. The Committee considered the supporting technical assessments, operational requirements, and financial implications.

The Audit and Risk Committee supported retaining the dump truck for a further two to five years, subject to maintenance requirements, and noted the delay in delivery of the replacement landfill compactor, with expenditure to be carried forward to the 2026 financial year. The Committee also endorsed retaining the existing hooklift truck to increase the fleet to two, reducing reliance on rentals and ensuring service reliability. The Audit and Risk Committee further supported updating the Long-term Financial Plan, Asset Management Plan, and the 2026 budget to reflect these changes.

Landfill Gate Pricing Review

The Audit and Risk Committee undertook a review of the proposed landfill gate pricing structure. The Committee considered the methodology used to set fees, including cost recovery principles, benchmarking against other regional landfills, and the financial impact on both member and non-member councils. The review also examined the long-term sustainability of pricing in the context of increasing operational costs and compliance obligations.

The Audit and Risk Committee endorsed the revised landfill gate pricing schedule, recognising it as financially sustainable, equitable, and aligned with the Authority's strategic objectives. The recommendation was made to the Board to adopt the new pricing structure, ensuring cost recovery while maintaining competitive rates within the sector.

Internal Auditor Appointment

Following on from a recommendation in the FY2024 year, regarding the engagement of an internal auditor and establishment of an internal audit plan, the Audit and Risk Committee closely monitored the process undertaken by Administration. This included reviewing the request for quote documentation prior to market release, reviewing proposals and supporting a recommendation to the Board on the preferred auditor. This thorough process has set the basis for a strong internal audit process for the next 3 years.

Assurance Mapping and Development of Internal Audit Plan

The Audit and Risk Committee reviewed the proposed assurance mapping process presented by its internal auditors and supported its use to inform the development of a three-year rolling internal audit plan. The Committee endorsed an initial focus on cost/financial, climate/circular economy, and compliance areas, while noting that community-based assurance activities may be considered in future years.

Independent Review Capping and Post Closure Liabilities

The Audit and Risk Committee received and reviewed the 2025 independent assessment of landfill capping and post-closure liabilities and provisions prepared an independent expert company.

The assessment validated the Authority's approach and recommended extending the post-closure provision timeframe from 20 to 30 years, aligning with industry practice and EPA guidance. The Committee noted the recommendation to adopt a 30-year post-closure timeframe, acknowledged the resulting increase in provision requirements, and recommended Board adoption of the updated provisions to ensure prudent long-term financial planning.

7 AUDIT AND RISK COMMITTEE EVALUATION

The Committee recently completed its annual self-assessment, reviewing both its collective skills and overall performance. This evaluation involved all Committee members and considered a range of factors, including:

- The Committee's work program
- The Committee's makeup and design
- The Committee's support advisory role for the Board
- How effectively the Committee is fulfilling its role and responsibilities
- The Committee's overall effectiveness
- The working relationship with senior management
- The Authority's broader risk and control environment
- The Committee's role in regards to the Authority's strategic direction

The results were highly positive. Of the 42 assessment measures, 24 were rated 'strongly agree,' 16 as 'agree', 1 'neutral' response and one 'disagree' that related to the Committee's size and the need for a fourth independent member.

The assessment also identified some constructive opportunities for further improvement, such as:

- It would be beneficial to engage more with the Board to better understand its key areas of concern and how to best support them.
- Supporting the Administration and Board in understanding the risks and opportunities associated with its adopted strategy and how it will continue to value to Constituent Councils as their collective and individual needs change over time.
- To be making some further strategic recommendations to the Board.

By reflecting on the outcomes of this self-assessment, the Committee continues to refine its practices and strengthen the value it brings to the Authority.



8 AUDIT AND RISK COMMITTEE SKILLS ASSESSMENT

In addition to the self-assessment survey, the Committee undertook a formal skills assessment. This assessment evaluated each member against the competencies prescribed in the AHRWMA Audit and Risk Committee Terms of Reference and the requirements of the applicable legislative framework. The outcomes provide assurance that the Committee maintains the necessary expertise to discharge its responsibilities effectively and to support strong governance across the Authority.

Audit and Risk Committee Skills Matrix

Required / Desired Committee Skills	Member 1	Member 2	Member 3
Financial – Accounting Knowledge	✓✓✓	✓✓✓	✓✓
Financial – Auditing Expertise	✓✓	✓✓	✓✓
Financial – Risk Management	✓✓✓	✓✓✓	✓✓✓
Financial – Strategic Financial	✓✓✓	✓✓✓	✓✓✓
Financial – Financial - Planning	✓✓✓	✓✓✓	✓✓✓
Legal - Qualifications	✓✓✓	✓	✓✓✓
Legal – Contract review	✓✓✓	✓✓✓	✓✓✓
Legal – Policy Development	✓✓✓	✓✓✓	✓✓✓
Legal – Regulatory Knowledge	✓✓✓	✓✓✓	✓✓✓
Governance – Ethical Oversight	✓✓✓	✓✓✓	✓✓✓
Governance – Regulatory Compliance	✓✓✓	✓✓✓	✓✓✓
Governance – Risk Governance	✓✓✓	✓✓✓	✓✓✓
Commercial – Waste and Recycling	✓✓	✓✓	✓✓
Commercial – S/Holder Engagement	✓✓✓	✓✓✓	✓✓✓
Commercial - Marketing	✓✓	✓	✓✓✓
Commercial – Regulatory Awareness	✓✓	✓✓	✓✓✓
Commercial – Innovation and Tech	✓✓	✓✓	✓
Strategic Planning	✓✓✓	✓✓✓	✓✓✓
Local Government Expertise	✓✓✓	✓✓✓	✓✓

9 PLANS FOR FY2026

The Audit and Risk Committee's work plan for the 2025/26 fiscal year has been developed to align with the Authority's strategic objectives and to ensure robust oversight of the Authority's functions as per the Committees Terms of Reference.

Audit and Risk Committee Work Plan FY2026

Financial Reporting	Nov	Feb	Mar	May	Sep
Review statutory financial statements					
Comparison of original budget to audited financial result					
Review quarterly financial position (budget review)					
Risk Management					
Risk Register					
External Audit					
Consider and make recommendations re appointment of external auditor					
Review and make recommendation on external audit plan					
Meeting with external auditor and review findings					
Review external audit management report and management's response					
Governance					
Review Draft Annual Business Plan					
Review Long Term Financial Plan					
Review of other policies and documents endorsed by Board					
ARC self-assessment and review					
Internal Audit					
Endorse Internal Audit work plan					
Review internal audit report					
Work, Health & Safety					
Review of annual Risk Management Action Plan & Annual Statistics					
Delivery of Strategic Plan	2025	2026	2027	2028	2029
Inform delivery of Brinkley Site Master Plan					
Inform delivery of Landfill Gas Project					
Review Brinkley Lease & Resource Recovery Centre					
Inform review of Brinkley Tenure Process					
Review and seek future business opportunities (eg. RRC Management)					
Investigate Financial Diversity					
Investigate & seek aligned circular economy opportunities					
Assist with Development of Site					
Charter Review					
Assist with an overhaul of Industrial Relations and Human Resources					
Inform the Strategic Plan Review					



8

AUDITED FINANCIAL STATEMENTS

**Adelaide Hills Region Waste
Management Authority
General Purpose Financial Reports
for the year ended 30 June 2025**

Adelaide Hills Region Waste Management Authority
General Purpose Financial Reports
for the year ended 30 June 2025

Table of Contents

	Page #
Authority Certificate	1
Principal Financial Statements	
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to, and forming part of, the Principal Financial Statements	
Note 1 - Material Accounting Policies	6
Note 2 - Income	10
Note 3 - Expenses	11
Note 4 - Asset Disposal & Fair Value Adjustments	13
Note 5 - Current Assets	14
Note 6 - Infrastructure, Property, Plant & Equipment & Investment Property	15
Note 7 - Liabilities	18
Note 8 - Reconciliation of Cash Flow Statement	19
Note 9 - Financial Instruments	20
Note 10 - Contingent Assets & Contingent Liabilities	22
Note 11 - Events Occuring After Reporting Date	22
Note 12 - Capital Expenditure and Investment Property Commitments	23
Note 13 - Financial Indicators	24
Note 14 - Uniform Presentation of Finances	25
Note 15 - Leases	26
Note 16 - Superannuation	27
Note 17 - Related Party Transactions	28
Constituent Council's Certificate of Audit Independence	29
Auditor Certificate of Audit Independence	33

Adelaide Hills Region Waste Management Authority
Annual Financial Statements
for the year ended 30 June 2025

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 2025 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.



.....
Rob Gregory
CHIEF EXECUTIVE OFFICER



.....
Paul Sandercock
CHAIRPERSON

Date: 25 September 2025

Adelaide Hills Region Waste Management Authority
Statement of Comprehensive Income
for the year ended 30 June 2025

		2025	2024
	Notes	\$	\$
INCOME			
User charges	2	7,033,843	6,726,942
Grants, subsidies and contributions - Operating	2	19,462	21,600
Investment income	2	68,505	62,843
Other income	2	3,487,442	3,036,761
Total Income		<u>10,609,252</u>	<u>9,848,146</u>
EXPENSES			
Employee costs	3	2,443,268	2,230,086
Materials, contracts & other expenses	3	6,858,094	6,162,497
Depreciation, amortisation & impairment	3	1,129,129	1,049,320
Finance costs	3	36,615	36,837
Total Expenses		<u>10,467,106</u>	<u>9,478,740</u>
OPERATING SURPLUS / (DEFICIT)		<u>142,146</u>	<u>369,406</u>
Asset disposal & fair value adjustments	4	16,425	80,282
NET SURPLUS / (DEFICIT)		<u>158,571</u>	<u>449,688</u>
transferred to Equity Statement			
TOTAL COMPREHENSIVE INCOME		<u>158,571</u>	<u>449,688</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 2025

		2025	2024
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	2,181,685	1,740,142
Trade & other receivables	5	904,281	850,340
Inventories	5	10,542	14,321
Total Current Assets		3,096,508	2,604,803
Non-current Assets			
Infrastructure, property, plant & equipment	6	6,282,734	6,377,037
Total Non-current Assets		6,282,734	6,377,037
Total Assets		9,379,242	8,981,840
LIABILITIES			
Current Liabilities			
Trade & other payables	7	1,277,200	1,202,165
Borrowings	7	36,836	53,598
Provisions	7	291,616	301,946
Total Current Liabilities		1,605,652	1,557,709
Non-current Liabilities			
Borrowings	7	-	36,836
Provisions	7	3,392,532	3,164,808
Total Non-current Liabilities		3,392,532	3,201,644
Total Liabilities		4,998,184	4,759,353
NET ASSETS		4,381,058	4,222,487
EQUITY			
Accumulated surplus		4,381,058	4,222,487
TOTAL EQUITY		4,381,058	4,222,487

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 2025

		Accumulated Surplus	TOTAL EQUITY
2025	Notes	\$	\$
Balance at end of previous reporting period		4,222,487	4,222,487
Net Surplus / (Deficit) for Year		158,571	158,571
Balance at end of period		4,381,058	4,381,058

		Accumulated Surplus	TOTAL EQUITY
2024	Notes	\$	\$
Balance at end of previous reporting period		3,772,799	3,772,799
Net Surplus / (Deficit) for Year		449,688	449,688
Balance at end of period		4,222,487	4,222,487

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 2025

		2025	2024
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
User charges		6,984,312	6,742,683
Investment receipts		16,815	62,584
Grants utilised for operating purposes		19,462	21,600
Other revenues		3,567,723	3,105,246
<i>Payments:</i>			
Employee costs		(2,401,337)	(2,190,117)
Materials, contracts & other expenses		(6,899,343)	(5,903,535)
Finance payments		(8,045)	(8,267)
Net Cash provided by (or used in) Operating Activities		1,279,587	1,830,194
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Grants utilised for capital purposes		26,000	-
Sale of replaced assets		145,000	145,528
Sale of surplus assets		30,000	-
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(384,981)	(688,528)
Expenditure on new/upgraded assets		(600,465)	(974,300)
Net Cash provided by (or used in) Investing Activities		(784,446)	(1,517,300)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		-	-
<i>Payments:</i>			
Repayments of borrowings		-	-
Repayment of principal portion of lease liabilities		(53,598)	(51,170)
Net Cash provided by (or used in) Financing Activities		(53,598)	(51,170)
Net Increase (Decrease) in cash held		441,543	261,724
Cash & cash equivalents at beginning of period	8	1,740,142	1,478,418
Cash & cash equivalents at end of period	8	2,181,685	1,740,142

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 2025

Note 1 - Material 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 Adelaide Hills Region Waste Management Authority is a Local Government 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 material 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 immaterial 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.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 1 - Material Accounting Policies

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and other overhead cost directly attributed to bringing the asset to the location and condition necessary for it to be capable of operating in the manner by management.

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.

6.5 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance

Amounts (other than grants) received from external parties in advance of service delivery, are recognised as liabilities until the service is delivered.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025
Note 1 - Material Accounting Policies

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 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.

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 16.

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 active landfill cell operational areas, for which capping rehabilitation works have not yet been completed.

The Authority has recognised a liability for capping and post-closure rehabilitation costs, reflecting stakeholder expectations that it will undertake the works in the future. These expectations arise from the Authority's ongoing management of the site and its past conduct in planning and preparing for such works. Whilst the Authority operates the landfill under a rental agreement with a constituent council and is not the legal owner, a constructive obligation exists under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. Accordingly, a liability has been recognised for future capping and rehabilitation costs, notwithstanding that legal responsibility remains with the site owner.

The Authority has estimated the liability based on the capping design approved by the South Australian Environment Protection Authority (EPA). The current assumptions and calculations underpinning this provision has been verified by an independent qualified consultant. ACT Williams has been engaged to undertake a capping trial, which is expected to be completed in the 2026–27 financial year. The outcomes of this trial will provide more accurate cost data, which may result in an adjustment to the recognised liability in future reporting periods.

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 plans to undertake further detailed reviews of all rehabilitation and restoration liability costs every three years with the assistance of external consultants to ensure all projected costs have been independently verified. This was last reviewed and revalued by WSP on 09 April 2025.

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.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 1 - Material Accounting Policies

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 Goods & Services Tax

In accordance with interpretation of 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 2025

Note 2 - INCOME

	2025	2024
Notes	\$	\$
USER CHARGES		
Waste Processing and disposal fees	7,033,843	6,726,942
	<u>7,033,843</u>	<u>6,726,942</u>
INVESTMENT INCOME		
Interest on investments	68,505	62,843
	<u>68,505</u>	<u>62,843</u>
OTHER INCOME		
Consultancy service	864	2,959
Resource recovery centre income	2,368,814	2,137,862
Resource recover centre recuperation	100,365	85,632
Transport income	672,461	437,066
Fuel tax rebate	75,372	78,928
Machinery charge out	117,645	118,577
Recycled income	19,031	27,425
Sundry	132,890	148,312
	<u>3,487,442</u>	<u>3,036,761</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Sundry	19,462	21,600
Sources of grants		
Other	19,462	21,600
	<u>19,462</u>	<u>21,600</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 3 - EXPENSE

		2025	2024
	Notes	\$	\$
EMPLOYEE COSTS			
Salaries and Wages		1,817,740	1,642,869
Employee leave expense		269,085	245,101
Superannuation - defined contribution plan contributions	17	217,098	197,647
Superannuation - defined benefit plan contributions	17	8,430	7,979
Workers' Compensation Insurance		44,672	44,887
Other employment related costs		86,243	91,603
Total Operating Employee Costs		2,443,268	2,230,086
 Total Number of Employees		 19	 19
<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		7,991	5,582
Subtotal - Prescribed Expenses		7,991	5,582
<u>Other Materials, Contracts & Expenses</u>			
Materials, contractors and other		349,771	190,327
Resource recovery centre expenses		1,737,781	1,513,172
Consultants		88,920	19,706
Administration and Board		137,050	127,629
EPA licence fee		11,648	10,469
Repairs and maintenance		304,520	279,455
Insurance and legal		65,558	63,200
EPA waste levy paid		3,784,269	3,574,650
Parts, accessories & consumables		361,243	363,998
Sundry		9,343	14,309
Subtotal - Other Materials, Contracts & Expenses		6,850,103	6,156,915
		6,858,094	6,162,497

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 3 - EXPENSE con't

	Notes	2025 \$	2024 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Road infrastructure		8,410	5,672
Buildings		16,326	15,853
Vehicles		48,882	43,608
Plant and equipment		503,413	440,813
Landfill cells		248,397	208,781
Leachate pond		8,697	8,696
Landfill rehabilitation		20,161	73,882
Landfill cell capping		226,300	203,472
Right of use assets	16	48,543	48,543
		<u>1,129,129</u>	<u>1,049,320</u>
FINANCE COSTS			
Interest on Leases		8,045	8,267
Unwinding of present value discounts		28,570	28,570
		<u>36,615</u>	<u>36,837</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2025	2024
Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	145,000	145,528
Less: Carrying amount of assets sold	125,533	65,246
Gain (Loss) on disposal	19,467	80,282
<i>Assets surplus to requirements</i>		
Proceeds from disposal	30,000	-
Less: Carrying amount of assets sold	33,042	-
Gain (Loss) on disposal	(3,042)	-
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	16,425	80,282

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 5 - CURRENT ASSETS

		2025	2024
CASH & EQUIVALENT ASSETS	Notes	\$	\$
Cash on Hand and at Bank		690,963	421,383
Deposits at Call		1,490,722	1,318,759
		<u>2,181,685</u>	<u>1,740,142</u>
TRADE & OTHER RECEIVABLES			
Accrued Revenues		43,315	39,760
Debtors - general		805,892	758,692
Prepayments		55,074	51,888
		<u>904,281</u>	<u>850,340</u>
INVENTORIES			
Stores & Materials		10,542	14,321
		<u>10,542</u>	<u>14,321</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

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

	2024				2025			
	\$				\$			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Road infrastructure	-	145,243	(61,081)	84,162	-	158,080	(69,491)	88,589
Buildings	-	283,676	(152,783)	130,893	-	294,006	(169,109)	124,897
Vehicles	-	276,895	(50,021)	226,874	-	276,895	(98,903)	177,992
Plant and equipment	-	4,484,979	(1,959,687)	2,525,292	-	4,921,191	(2,118,037)	2,803,154
Landfill cells	-	3,421,264	(1,955,937)	1,465,327	-	3,421,264	(2,204,334)	1,216,930
Leachate pond	-	173,938	(88,893)	85,045	-	173,938	(97,590)	76,348
Landfill rehabilitation	644,938	-	(382,845)	262,093	1,326,818	-	(403,006)	923,812
Landfill cell capping	2,554,283	-	(1,037,840)	1,516,443	2,080,358	-	(1,264,140)	816,218
WIP	-	-	-	-	-	22,429	-	22,429
Right of use assets	-	323,623	(242,715)	80,908	-	323,623	(291,258)	32,365
Reinstatement costs	-	-	-	-	-	-	-	-
Total IPP&E	3,199,221	9,109,618	(5,931,802)	6,377,037	3,407,176	9,591,426	(6,715,868)	6,282,734
Comparatives	2,040,475	7,784,512	(5,154,958)	4,670,029	3,199,221	9,109,618	(5,931,802)	6,377,037

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 2025

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2024	Carrying Amounts Movement During the Year							2025
	\$	\$							\$
	Carrying Amount	Additions		Disposals	Dep'n	Impair't	Transfers		Carrying Amount
		New / Upgrade	Renewals				In	Out	Adjustments
Road infrastructure	84,162	12,837	-	-	(8,410)	-	-	-	-
Buildings	130,893	10,330	-	-	(16,326)	-	-	-	-
Vehicles	226,874	-	-	-	(48,882)	-	-	-	-
Plant and equipment	2,525,292	554,869	384,981	(158,575)	(503,413)	-	-	-	-
Landfill cells	1,465,327	-	-	-	(248,397)	-	-	-	-
Leachate pond	85,045	-	-	-	(8,697)	-	-	-	-
Landfill rehabilitation	262,093	-	-	-	(20,161)	-	-	-	681,880
Landfill cell capping	1,516,443	-	-	-	(226,300)	-	-	-	(473,925)
WIP	-	22,429	-	-	-	-	-	-	-
Right of use assets	80,908	-	-	-	(48,543)	-	-	-	-
Reinstatement costs	-	-	-	-	-	-	-	-	-
Total IPP&E	6,377,037	600,465	384,981	(158,575)	(1,129,129)	-	-	-	207,955
Comparatives	4,670,029	974,300	688,528	(65,246)	(1,049,320)	-	18,413	(18,413)	1,158,746
									6,377,037

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 2025

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
Network/IT Assets	1,000
Other Plant & Equipment	2,000
Landfill Assets	2,000
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	3 to 10 years
Infrastructure	
Unsealed Roads	15 years
Litter Fence	15 years
Water Tanks	30 years
Pumps	5 years
Monitor Bore	10 years
Buildings	20 - 50 years
Roads	20 - 30 years

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 7 - LIABILITIES

		2025		2024	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		969,911	-	1,022,026	-
Payments received in advance		26,000	-	2,331	-
Accrued expenses - employee entitlements		89,320	-	78,609	-
GST Payable		54,041	-	21,895	-
Other		137,928	-	77,304	-
		1,277,200	-	1,202,165	-

BORROWINGS

Leases Liabilities	16	36,836	-	53,598	36,836
		36,836	-	53,598	36,836

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

PROVISIONS

LSL Employee entitlements (including oncosts)		146,892	135,008	146,500	93,800
AL Employee entitlements (including oncosts)		144,724	-	155,446	-
Future reinstatement / restoration, etc		-	3,257,524	-	3,071,008
		291,616	3,392,532	301,946	3,164,808

Movements in Provisions - 2025 year only

	<i>Future Reinstatement</i>	<i>Cell Capping</i>	<i>Post Closure</i>
Opening Balance	3,071,008	2,397,500	673,508
Add Unwinding of present value discounts	28,570	-	28,570
(Less) Payments	(50,009)	(50,009)	-
Add (Less) Remeasurement Adjustments	207,955	(473,925)	681,880
Closing Balance	3,257,524	1,873,566	1,383,958

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

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	2025 \$	2024 \$
Total cash & equivalent assets	5	<u>2,181,685</u>	1,740,142

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

Net Surplus (Deficit)	158,571	449,688
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,129,129	1,049,320
Net increase (decrease) in unpaid employee benefits	41,589	39,969
Premiums & discounts recognised & unwound	28,570	28,570
Grants for capital acquisitions treated as Investing Activity	(26,000)	-
Net (Gain) Loss on Disposals	<u>(16,425)</u>	<u>(80,282)</u>
	1,315,434	1,487,265
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(21,795)	81,636
Net (increase) decrease in inventories	3,779	(3,767)
Net increase (decrease) in trade & other payables	32,178	265,060
Net increase (decrease) in other provisions	<u>(50,009)</u>	<u>-</u>
Net Cash provided by (or used in) operations	<u>1,279,587</u>	<u>1,830,194</u>

(c) Non-Cash Financing and Investing Activities

Estimated future reinstatement etc. costs	<u>157,946</u>	1,158,746
	<u>157,946</u>	<u>1,158,746</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 2025

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

Accounting Policy: initially recognised at lower of cost and net realisable value, interest is recognised when earned.

Terms & conditions: deposits on call have an average interest rate of 3.9% (2024: 4.65%).

Carrying amount: approximates fair value due to the short term to maturity.

Receivables - Fees and other charges

Accounting Policy: carried at nominal values less any allowances for doubtful debts.

Liabilities - Creditors and accruals

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.

Terms & conditions: liabilities are normally settled on 30 days after the month of invoice.

Carrying amount: approximates fair value.

Liabilities - Interest bearing borrowings

Accounting Policy: carried at the principle amounts. Interest is charged as an expense as it accrues.

Terms & conditions: secured over future revenues, interest is payable quarterly and principle due at CAD end date.

Carrying amount: approximates fair value.

Liabilities - Leases

Accounting Policy: accounted for in accordance with AASB 16 as stated in Note 1.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 9 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2025	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	2,181,685			2,181,685	2,181,685
Receivables	849,207	-	-	849,207	849,207
Total	3,030,892	-	-	3,030,892	3,030,892
<u>Financial Liabilities</u>					
Payables	1,161,880			1,161,880	1,161,880
Lease Liabilities	37,793	-	-	37,793	36,836
Total	1,199,673	-	-	1,199,673	1,198,716

2024	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	1,740,142			1,740,142	1,740,142
Receivables	850,340	-	-	850,340	850,340
Total	2,590,482	-	-	2,590,482	2,590,482
<u>Financial Liabilities</u>					
Payables	1,199,835	-	-	1,199,835	1,123,556
Lease Liabilities	55,949	37,793	-	93,742	90,434
Total	1,255,784	37,793	-	1,293,577	1,213,990

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

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 uses 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 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There were no contingencies, assets or liabilities not recognised subsequent to 30 June 2025 that need to be disclosed in the financial statements.

Note 11 - EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Authority's current lease agreement for the landfill site, held with a constituent council, is due to expire during the 2025/26 financial year. Subsequent to balance date, the Authority has commenced negotiations with the council regarding the renewal of the lease, including the amounts payable and the terms and conditions of the arrangement. As these negotiations are ongoing, the financial effect of the new lease cannot be reliably measured at this time.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 12 - CAPITAL EXPENDITURE AND INVESTMENT PROPERTY COMMITMENTS

	2025	2024
Notes	\$'000	\$'000
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Plant & Equipment	-	465,945
	<u>-</u>	<u>465,945</u>
These expenditures are payable:		
Not later than one year	-	465,945
	<u>-</u>	<u>465,945</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 13 - 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.

	2025	2024	2023
Operating Surplus Ratio			
<u>Operating Surplus</u>	1.3%	3.8%	4.6%
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>	18%	22%	10%
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>	22%	74%	337%
Asset Renewals - IAMP			

Asset renewals expenditure is defined as 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 2025

Note 14 - UNIFORM PRESENTATION OF FINANCES

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

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

The arrangements ensure that all local government entities provide a common 'core' of financial information, which enables meaningful comparisons of each local government entity's finances.

	2025 \$	2024 \$
Income		
<i>User charges</i>	7,033,843	6,726,942
<i>Grants, subsidies and contributions` - Operating</i>	19,462	21,600
<i>Investment income</i>	68,505	62,843
<i>Other income</i>	3,487,442	3,036,761
	<u>10,609,252</u>	<u>9,848,146</u>
Expenses		
<i>Employee costs</i>	(2,443,268)	(2,230,086)
<i>Materials, contracts and other expenses</i>	(6,858,094)	(6,162,497)
<i>Depreciation, amortisation and impairment</i>	(1,129,129)	(1,049,320)
<i>Finance costs</i>	(36,615)	(36,837)
	<u>(10,467,106)</u>	<u>(9,478,740)</u>
Operating Surplus / (Deficit)	142,146	369,406
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(384,980)	(688,528)
Add back Depreciation, Amortisation and Impairment	1,129,129	1,049,320
Proceeds from Sale of Replaced Assets	145,000	145,528
	<u>889,149</u>	<u>506,320</u>
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	(600,465)	(974,300)
Proceeds from Sale of Surplus Assets	30,000	-
	<u>(570,465)</u>	<u>(974,300)</u>
Adjusted Annual Net Impact to Financing Activities surplus/ (deficit)	460,830	(98,574)

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 15 - 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 2024	80,908
Depreciation Charge	(48,543)
At 30 June 2025	<u>32,365</u>

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

	2025
Opening Balance 1 July 2024	90,434
Accretion of Interest	2,351
Payments	(55,949)
Closing Balance 30 June 2025	<u>36,836</u>
Current	36,836
Non Current	-

The maturity analysis of lease liabilities is included in Note 12.

The Authority had total cash outflows for leases of **\$61,643**.

The following are amounts recognised on profit or loss:

Depreciation expense right of use assets	48,543
Interest expense on lease liabilities	8,045
Total amount recognised in profit and loss	<u>56,588</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 16 – 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 (11.5% in 2024-25; 11% in 2023-24). 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 2023-24) of "superannuation" salary.

The Authority contributes the balance of superannuation guarantee applicable to 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 2023. 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 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 2025

Note 17 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Chair, the Board, Chief 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:

	2025 \$	2024 \$
Salaries, allowances & other short term benefits	506,134	460,132
Post-employment benefits	65,638	71,826
Long term benefits	123,908	104,550
TOTAL	695,680	636,508

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

The following transactions occurred with related parties:

	2025 \$,000	Outstanding 30 June 2025 \$,000	2024 \$,000	Outstanding 30 June 2024 \$,000
Adelaide Hills Council - provision of waste disposal and other services	1,751	138	1,523	236
Alexandrina Council - provision of waste disposal and other services	304	22	278	25
Mount Barker District Council - provision of waste disposal and other services	1,794	134	1,473	116
Rural City of Murray Bridge - provision of waste disposal and other services	1,020	77	814	68
TOTAL	4,869	371	4,088	445

Amounts recorded as outstanding from related parties are recorded in trade and other receivables in Note 5.

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 2025

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 2025, the Authority's Auditor, Galpins Accountants, Auditors & Business Consultants, 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: 02 September 2025

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2025

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 2025, the Authority's Auditor, Galpins Accountants, Auditors & Business Consultants, 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 McDonald
CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date: 9 September 2025

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2025

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 2025, the Authority's Auditor, Galpins Accountants, Auditors & Business Consultants, 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.



Alison Hancock
A/CHIEF EXECUTIVE OFFICER
Mount Barker District Council

Date: 4 September 2025

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2025

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 2025, the Authority's Auditor, Galpins Accountants, Auditors & Business Consultants, 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: 11 September 2025



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ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2025

Statement by Auditor

I confirm that, for the audit of the financial statements of the Adelaide Hills Region Waste Management Authority for the year ended 30 June 2025, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, 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*.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor
Partner

Date: 29 August 2025



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