

2020 - 2021

ANNUAL REPORT



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ABOUT AHRWMA

The Adelaide Hills Region Waste Management Authority (the Authority) is a Local Government Regional Subsidiary established by its Constituent Councils –Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge (Constituent Councils).

Waste management and recycling services for local ratepayers, residents and visitors is a key Local Government function. The Constituent Councils resolved to work together through the Authority to coordinate waste management and recycling within the region.

The Authority undertakes landfill operations, resource recovery centre management, hooklift truck transport services and mobile crushing for the benefit of its Constituent Councils. The Authority provides an avenue for Constituent Councils to be represented in relevant forums and provides technical waste and resource management advice to Constituent Councils when required, along with coordinated education services to Constituent Council communities. The Authority also facilitates a shared Strategic Resource Recovery Coordinator for three of the Constituent Councils.

The Authority continues to focus on evaluating waste and recycling services throughout the region to determine where it can add value to Constituent Councils by applying a resource sharing model.

REPORT FROM THE CHAIR

Firstly, I would like to thank our Member Councils for their continuing support throughout the year.

In 2020/21 we saw a slight change in Board Members, with Adelaide Hill Council representatives John McArthur being replaced by Marc Salver and then Chair Cr John Kemp being replaced by Cr Ian Bailey. I was pleased to be elected to the subsequently vacant Chairperson position at the February 2021 Board Meeting.



Cr Harry Seager Chair

2020/21 has been a challenging, yet successful year for the Authority:

- The Authority has successfully navigated through the COVID-19 pandemic, ensuring that all operations were maintained and has also assisted Local Government in coordinating its waste sector response to the pandemic.
- The Charter Review process has been finalised, and all Constituent Councils have now endorsed the revised Charter. The new board structure should come into effect mid 21/22.
- The Authority's Finance Manager was transferred from Alexandrina Council to the Authority in the position of Finance and Business Manager.
- A new position of Risk, WHS and Project Officer was also established and filled, which is focused on addressing the outcomes of the LGRS WHS and risk audit.
- Continued assistance to Constituent Councils with managing the impacts of the China Sword Policy and recycling services.
- Implementation of a polystyrene recycling service at the Heathfield Resource Recovery Centre funded by the Adelaide Hills Council and Green Industries SA. This has proved to be a popular service, with use continuing to build over the time since its introduction.
- Approved an Asset Management Plan and replaced a Front End Loader, in accordance with this plan.
- Constructed a workshop hanger at Brinkley, thus enabling servicing of plant and equipment within a designated location onsite.
- Authority staff continue to navigate changing EPA Legislation and ensure systems are in place to meet requirements, such as Mass Balance Reporting. As Federal legislation continues to evolve in response to both external and international challenges, I am confident that our organisation will continue to respond to these changing conditions appropriately.
- The Authority continues to build a resilient team in order to ensure we can manage operational needs, meet legislative requirements and the meet the needs of Constituent Councils, while remaining focussed on the delivery of an efficient and timely service to the ratepayers whom we service.

In my time as Chair I have recognised the ongoing commitment that the Authority's Executive Officer and Board Members hold in striving to achieve the best outcomes for the Authority and its Constituent Councils. I am pleased to have seen the increasing efficiency of our operation at the Brinkley landfill site with staff demonstrating their commitment by achieving higher compaction rates through improved practices.

The Authority continues to focus on improved governance and risk management across all areas of operation while assisting its Constituent Councils with efficient and effective waste and resource management services. Along with core services the Authority continues to enhance its representation within the industry and represents its Constituent Councils in relevant forums.

AHRWMA SERVICE AREA MAP



STRATEGIC DIRECTION

The Vision

“Sustainable Waste Management through Shared Services for the communities of Adelaide Hills, Alexandrina, Mt Barker and Murray Bridge”

The Mission

- To meet resource recovery targets across the region where economically and environmentally justified.
- To continue to develop and manage the Authority’s landfill as an EPA compliant regional landfill, that provides the most cost-effective disposal option for Constituent Councils and commercial customers.
- To educate the regional community on responsible waste choices that enhance and maintain their environment.

The Objectives

The Authority’s vision and mission will be achieved through five key objectives:

- To take a leadership role in resource recovery and community education.
- Responsibly develop and manage the Authority’s landfill to be a model regional landfill meeting all legislative requirements and operating benchmarks.
- Financial sustainability in waste services for Constituent Councils by pursuing a shared services model.
- Advocate, research and promote best practice waste management and actively represent Constituent Councils in all forums.
- A fully compliant regional subsidiary that meets the highest standards in governance, financial and human resource management.

GOVERNANCE

Board

The Authority is administered by a Board in accordance with the *Local Government Act (1999)* and the Authority's Charter. In 2020/21 the Board consisted of eight Members, being one Elected Member appointed by each Constituent Council and one employee appointed by each Constituent Council. Each Constituent Council also appoints a Deputy Board Member.

The Chairperson and Deputy Chairperson of the Board are elected by ballot of the whole Board from those Board Members who are Elected Members.

The Board is responsible for managing all activities of the Authority, 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 an Executive Officer responsible for implementing the decisions made by the Board and managing the day-to-day operations of the Authority.

2020-21 Board Members

Rural City of Murray Bridge

Heather Barclay, General Manager Assets & Infrastructure
Cr Fred Toogood
Malcolm Downie, Manager City Assets, Deputy Board Member

Mount Barker District Council

Greg Parker, General Manager Community Services
Cr Harry Seager (Chairperson)
Cr Simon Westwood, Deputy Board Member

Alexandrina Council

Elizabeth Williams, General Manager Resources
Cr Mike Farrier
Cr John Carter, Deputy Board Member

Adelaide Hills Council

John McArthur, Manager Waste & Emergency Services (Vacated Position Sep 2020)
Marc Salver, Director Development & Regulatory Services (Commenced position Nov 2020)
Cr John Kemp (Chairperson, Vacated Position Sep 2020)
Cr Ian Bailey, Deputy Chairperson (Commenced position Nov 2020)

Current Board Members



Cr Harry Seager
Chair
MBDC



Cr Ian Bailey
Deputy Chair
AHC



Cr Mike Farrier
Alexandrina



Cr Fred Toogood
RCMB



Cr Simon
Westwood
Dep. Member
MBDC



Cr John
Kemp Dep.
Member AHC



Heather Barclay
General Manager
Assets &
Infrastructure
RCMB



Greg Parker
General Manager
Community
Services
MBDC



Marc Slaver
Director
Development &
Regulatory
Services
AHC



Elizabeth Williams
General Manager
Resources
Alexandrina



Cr John Carter
Dept. Member
Alexandrina



Malcolm Downie
Dep. Member
Manager City
Assets
RCMB

Audit Committee

In accordance with the Local Government Act (1999) the Authority has an Audit Committee. The principal objective of the Audit Committee is to add value to and improve the Authority's operations, by assisting the Board to meet its legislative and probity requirements as required by the Local Government Act 1999 and other relevant legislation, standards and codes. The Audit Committee is comprised of two Board Members as determined by resolution of the Board and one Independent Member, who is also the Chair.

The Audit Committee meets as required and at least once every four months, prior to Board Meetings.

The current Audit Committee Members include;

Independent Member: Peter Brass

Board Members: Greg Parker - District Council of Mount Barker, Elizabeth Williams – Alexandrina Council

Management & Operations Committee

In 2018/19 the Board re-established the Management and Operations Committee. The committee includes a staff member from each Constituent Council and provides valuable support to the Executive Officer. The Committee meets as required to discuss strategic and operational matters.

The current Management & Operations Committee Members include;

Malcolm Downie – Rural City of Murray Bridge

Greg Parker – Mount Barker District Council

John McArthur – Adelaide Hills Council

Elizabeth Williams – Alexandrina Council

2020/21 ACHIEVEMENTS

Landfill & Operations

- Continued to navigate COVID-19 lockdowns and restrictions successfully, ensuring essential waste services were maintained. The Authority's Executive Officer has also assisted the LGA in coordinating its waste sector response to the pandemic.
- Fees and charges have been reviewed and updated, taking into account the waste disposal levy increases for the period.
- The mattress stockpile at the Brinkley Landfill was processed, of which approximately 1,500 mattresses were processed in January 2021. This generated 25.64 tonnes of steel for recycling & 15.72 tonnes of flock returned to landfill.
- A hanger style shelter/workshop was installed at the Brinkley Landfill to provide an undercover area for heavy plant maintenance, Rural City of Murray Bridge funded the installation of the concrete pad floor.
- A compaction rate of 0.84t/m³ was achieved at the Brinkley Landfill Cell 8/9 for the period 02/07/2020 - 30/06/2021. This is a positive compaction rate result, exceeding the long running target of 0.8 t/m³.
- A solar powered aeration system was purchased and installed within the leachate pond at the landfill to assist with reducing leachate volume & odour.
- The Authority assisted Mount Barker District Council with crushing waste concrete at the Windmill Hill Waste Transfer Station. Approximately 600 tonnes of rubble was produced through the crusher, which including size reducing 200 tonne of material using the Authority's new pulveriser.
- 1,360 cubic metres of mulch was produced at the Brinkley RRC.
- 2,603 tonnes of concrete was crushed to produce rubble at the Brinkley RRC. This material was tested with the results categorising the material as waste fill suitable for re-use. An additional 100 tonnes of material was reduced in size using the pulveriser.
- A pipeline was installed at the Brinkley RRC to transfer run-off from the street sweepings pad to the leachate pond. This assists with reducing cost of pumping and transporting runoff. This was a Rural City of Murray Bridge capital item, funded by the Rural City of Murray Bridge and project managed by the Authority.
- 8,085m³ of mulch was produced at the Heathfield RRC over 4 individual processing campaigns.
- 1,960.2 tonnes of concrete was crushed and rubble produced and tested, with test results categorising the material as waste fill suitable for re-use.
- The polystyrene melt machine was installed at the Heathfield RRC. This is operating 3-4 times per week and to date has produced approximately 192 melted poly blocks with a total weight of roughly 1.5 tonnes.
- A phytocap landfill design was drafted and submitted to the EPA for review and approval.

Major purchases

- 3 hook lift bins with tarps.
- 20 tonne wheel loader.
- Pulveriser, for size reducing & decontaminating oversized concrete.
- 40 tonne dump truck.
- Solar aerator.



Pulveriser fitted to excavator – used to size reduce oversized concrete

- All Constituent Councils approved the Authority's reviewed Charter in 2020/21. This Charter and a new Board will be implemented mid 2021/22.
- The Charter review also included a review of the equity interest calculation methodology and this has been reflected in the 2021/22 CCI schedule.
- A Work Health Safety, Risk & Projects Officer was employed in 2020/21.
- A new WHS system has been implemented, to formalise WHS requirements and to continually improve WHS
- A Business Continuity Plan was developed.
- An Asset Management Plan was developed and adopted by the Board.
- A system for Mass Balance Reporting (a requirement of new EPA legislation) has been implemented



Waste disposal services are provided at the Brinkley Landfill.

Resource Sharing, Resource Recovery Centres & Value Add

- Free greens days have been held across the RRCs.
- Hooklift waste and recycling transport services continue to be provided across the region. A tender was submitted to the Mount Barker District Council for the provision of hook-lift services.
- Positive working relationships have been maintained with Constituent Councils, commercial and non-member local government customers.

AHRWMA Annual Report 2020/21

- Assistance has continued to be provided to Constituent Councils regarding the recycling market changes resulting from the China Sword Policy and the Authority has ensured Constituent Council representation across all forums.
- The Authority has continued to participate in a high-level education working group assisting Green Industries SA with the implementation of a state wide education program titled “Which Bin”.



Encouraging food waste composting through the green bin service where available.



Finances

- The audited financials have been completed for the year 2020/21 and are attached.
- The year to 30 June 2021 ended with the Authority achieving a total surplus of \$1,934K compared to a third quarter budget review of net surplus \$579,000. This variance was largely due to an accounting amendment relating to booking known income in the 2020/21 financial year, which was previously budgeted over future years.
- The Brinkley Resource Recovery Centre finished \$44,962 ahead of budget for the financial year, while the Heathfield Resource Recovery Centre finished over budget by \$26,568.

Household Chemical & Paint Facility at the Heathfield RRC.



LANDFILL OPERATIONS

Brinkley Landfill Statistics

Waste disposed to landfill increased by 2,383 tonnes in the 2020/21 financial year. Waste tonnes to landfill increased across all sectors. Constituent Council tonnes increased by 1,610 tonnes, other Local Government increased by 227 tonnes and commercial tonnes increased by 546 tonnes. This increase in waste disposal may be a result of COVID-19 implications along with growth across the regions serviced by the landfill.

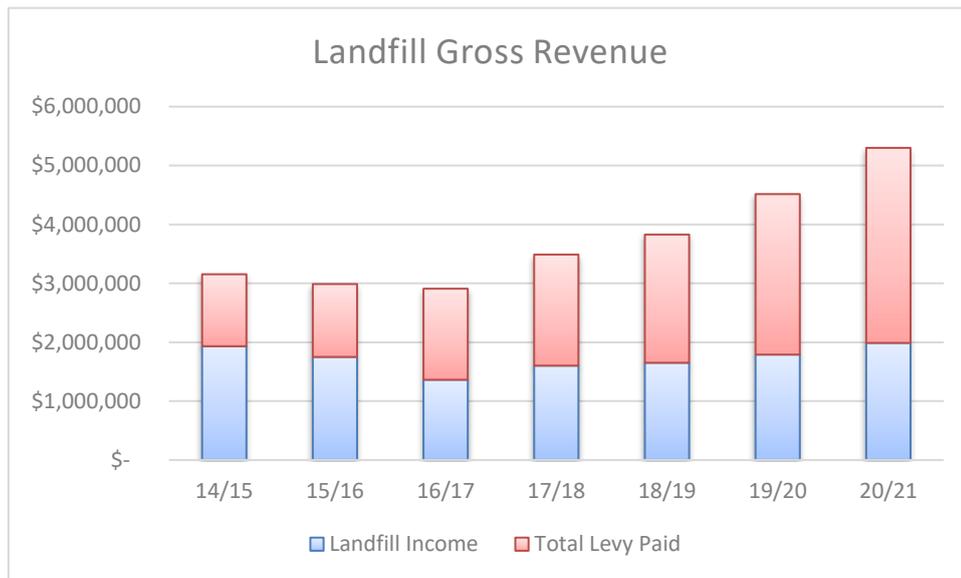


Revenue

Landfill gross revenue increased in 2020/21 due to increasing tonnes and an increase in the Solid Waste Disposal Levy.

The Authority is required to pay the Solid Waste Disposal Levy for every tonne of waste disposed to landfill and therefore collects the levy from Constituent Councils and landfill customers as part of the landfill gate fees.

In 2020/21 the levy increased from \$70.00 to \$71.50 for non- metropolitan waste and from \$140.00 to \$143.00 for metropolitan waste .



Financial Indicators

The Authority adopted financial indicators for 2020/21 which are outlined in the table below.

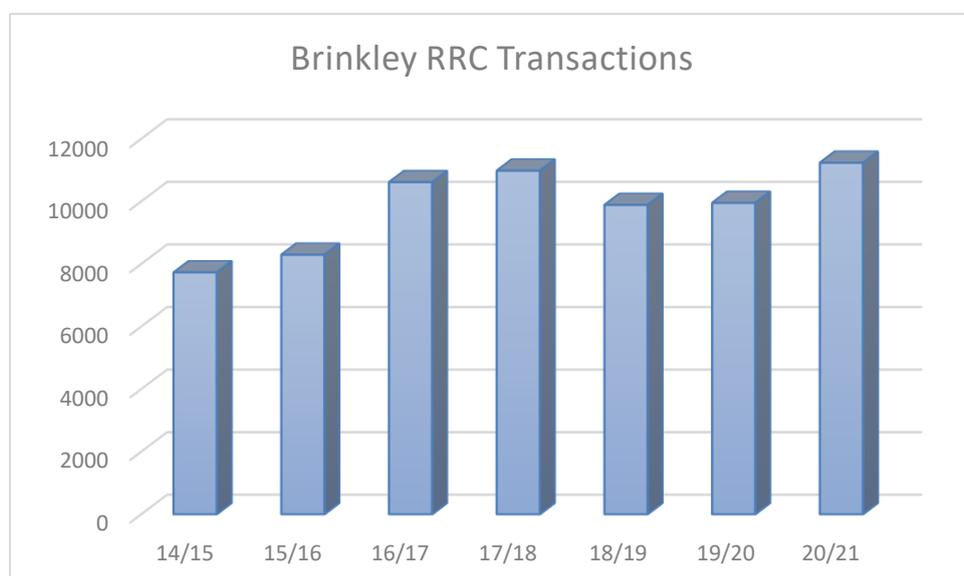
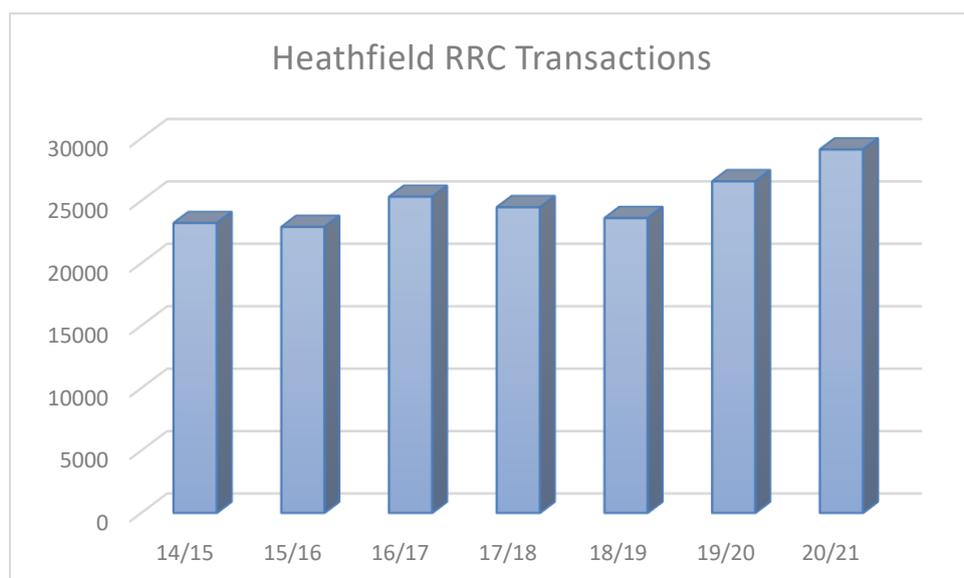
	Budget	Actual	Short term Adopted Target
Operating Surplus Ratio - Indicator 1	0%	21%	>0%
Net Financial Liabilities Ratio - Indicator 2	13%	19%	70%
Interest Cover Ratio - Indicator 3	0.60%	0.35%	1.50%
Asset Renewal Funding Ratio - Indicator 4	100%	103%	100%

RESOURCE RECOVERY CENTRE OPERATIONS

The Authority manages two Resource Recovery Centres (RRCs) on behalf of its Constituent Councils. These sites are the Heathfield RRC, which serves the Adelaide Hills Council area with an approximate population of 40,000 people and the Brinkley RRC, which serves the Rural City of Murray Bridge area with an approximate population of 22,000 people.

Site Usage

Both facilities have shown strong customer growth since the Authority commenced operations. The Heathfield customer numbers increased substantially in 2019/20, which is likely a result of increased services, such as the chemical drop off, fire waste disposal and free green organics days and this increasing trend has continued into 2020/21. The Brinkley RRC also saw an increase in customer numbers in 2020/21.



Tonnes to Landfill

The tonnes of waste disposed to landfill from both the Brinkley RRC reduced in 2020/21 and Heathfield increased slightly, which is a good outcome considering the increase in customer numbers. All material which can be reused, reprocessed or recycled is removed from the waste stream prior to transportation to landfill. For example, green organics are chipped on site and sold as mulch and construction and demolition material is stored for crushing and reuse.

Resource Recovery Sites - Waste Tonnes to Landfill						
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Heathfield	2,010	1,840	1,562	1,533	1,719	1,760
Brinkley	1,682	1,818	1,719	1,623	1,138	1,041

Financials

The Brinkley RRC exceeded the 2020/21 budget target, finishing the year with a net surplus of \$13,795, compared to a budgeted loss of \$34,000. Even though the Brinkley RRC finished the year in surplus there is material on site requiring processing, which did not occur in the financial year and therefore this expense will be carried over to 2021/22.

The Heathfield site finished the year a net loss of \$66,568, compared to a budget net loss of \$40,000, a negative variance of \$26,568.

The Authority will continue to monitor the Resource Recover Centre budgets and adjust operations where required, aiming to minimise the losses across the site. It is recognised that the sites are operated for community benefit and we aim to recover costs at the sites and work towards a break-even position, without significantly increasing user fees.



The Authority create mulch from greens materials dropped off at our RRCs which is then sold to customers





In 2020/21 the Heathfield RRC received 69 tonnes of material

Top ten hazardous waste quantity increases (by percentage) by category at the Heathfield Resource Recovery Centre:

Chemical name	2019-20 (kg)	2020-21 (kg)	Grand Total	Increase
Waste oil	2,655	17,669	20,324	665.50%
Solvent-based paint	2,293	6,374	8,667	277.98%
Water-based paint	8,515	21,596	30,111	253.62%
Carbon Dioxide canister	387	861	1,248	222.48%
Creosote*	1,556	3,384	4,940	217.48%
Gas bottles LPG	1,937	3,271	5,208	168.87%
Alkaline batteries	411	670	1,081	163.02%
Aerosol paints	422	682	1,104	161.61%
Coolant	6,166	9,882	16,048	160.27%
Flammable liquids	1,874	2,433	4,307	129.83%

*Creosote is a toxic organic liquid

These are just some of the waste materials that make up the more than 69 tonnes, of hazardous waste that responsible residents have dropped off free of charge to the Heathfield Resource Recovery Centre (HRRC) in the 2020/21 financial year alone

The Authority collect asbestos, Drummuster containers and tyres across our RRCs for recycling or appropriate disposal at licenced facilities



KERBSIDE WASTE & RECYCLING COLLECTIONS

Adelaide Hills, Mount Barker & Murray Bridge

The Authority facilitates the shared Strategic Resource Recovery Coordinator across three of the Member Councils: Adelaide Hills Council, Mount Barker District Council and the Rural City of Murray Bridge. The Strategic Resource Recovery Coordinator manages waste services on behalf of these Councils.

2020-21 Highlights

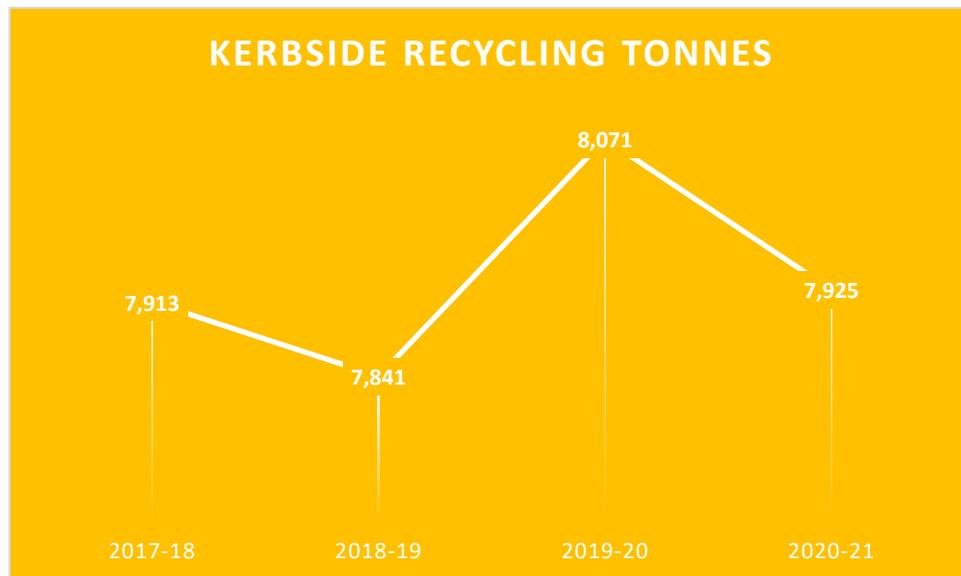
In conjunction with our Constituent Councils the Strategic Resource Recovery Coordinator achieved the following;

- Undertook a hard waste service investigation for MBDC, including multiple reports, community consultation and presentations to Elected Members.
- Successfully applied for and received funding from Green Industries SA to conduct a Strategic Review of Windmill Hill Transfer Station
- Lead role in the development of a working party to implement a consistent waste management system for the Civic Centre, the ESC and Library for MBDC.
- Implemented waste education program for schools and community groups via KESAB for MBDC.
- Provided ongoing advice and support to management in the negotiation of the kerbside collection contracts with Solo for both MBDC and RCMB in response to the impact of the China National Sword Policy for recyclables. Aided the resolution of operational issues as required, including review of invoicing and data management.
- Successfully applied for and received funding from Green Industries SA for the Regional Transport Subsidies Program for MBDC and RCMB to support their continued recycling efforts in response to the challenges presented by China's National Sword Policy.
- Successfully implemented a polystyrene (foam) machine at Heathfield Resource Recovery Centre as part of funding received from Green Industries SA.
- Coordinated and managed environmental monitoring at various operating and closed sites.
- Provided ongoing assistance and advice to management for the site contamination audit at the a former closed landfill, including ongoing environmental monitoring on behalf of AHC.
- Coordinated regular operational meetings between the Authority and RCMB for the Brinkley RRC.
- Completed mandatory reporting on behalf of Constituent Councils and provided general waste and recycling information and advice.

Recycling Service

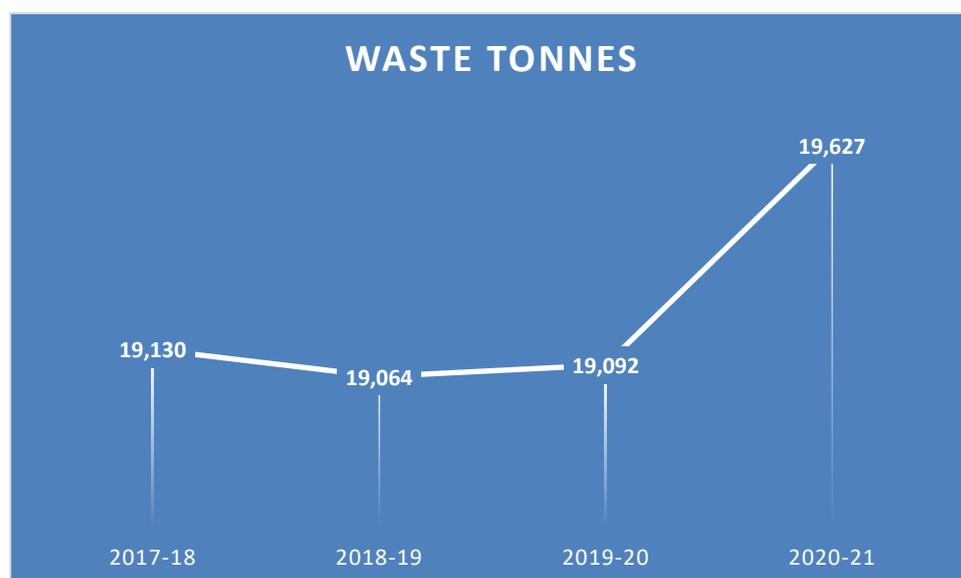
Recycling Service

Across the three Constituent Councils a total of 7,925 tonnes of recycling was collected via the kerbside service, which is a decrease of 147 tonnes (-1.82%) compared to the 2019/20 year (where as there was an increase of 231 tonnes (2.94%) from the previous 2018/19 year when compared to the 2019/20 year).



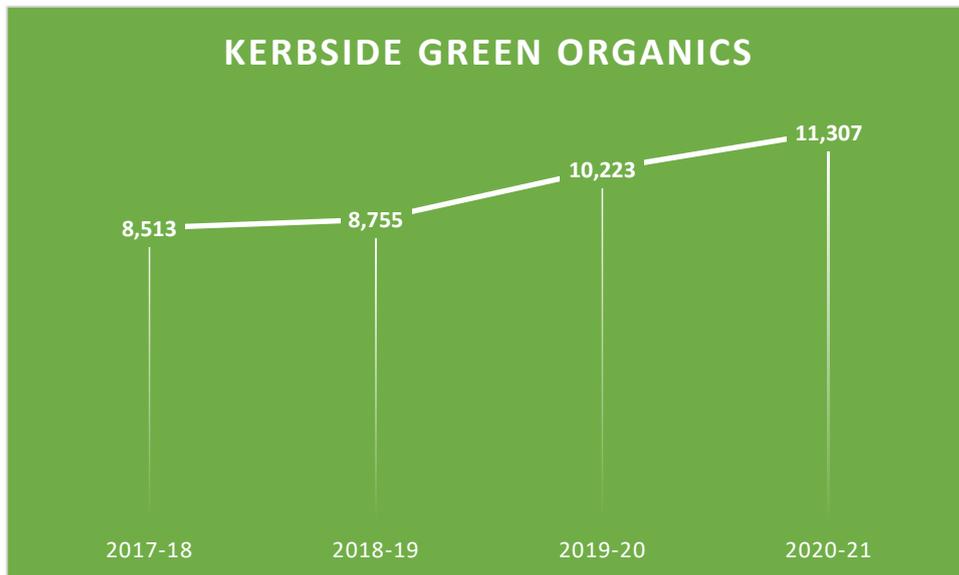
Waste Service

Total kerbside waste disposed to landfill (19,627 tonnes) from within the three Constituent Council regions increased by 535 tonnes (2.8%) in comparison to the previous 2019/20 year, while the population continues to grow. MBDC saw a significant increase of 6.67% (480 tonnes) whereas AHC saw a decrease of 39 waste tonnes (-0.52%) for the year.



Kerbside Green Organics (FOGO)

Properties within the township areas of the three Constituent Councils are entitled to a green bin service, which also accepts food waste. The green organics tonnes collected has continued to increase significantly. The 2020/21 financial year saw an increase of green organics of 1,084 tonnes (10.6%) from the previous 2019/20 financial year.

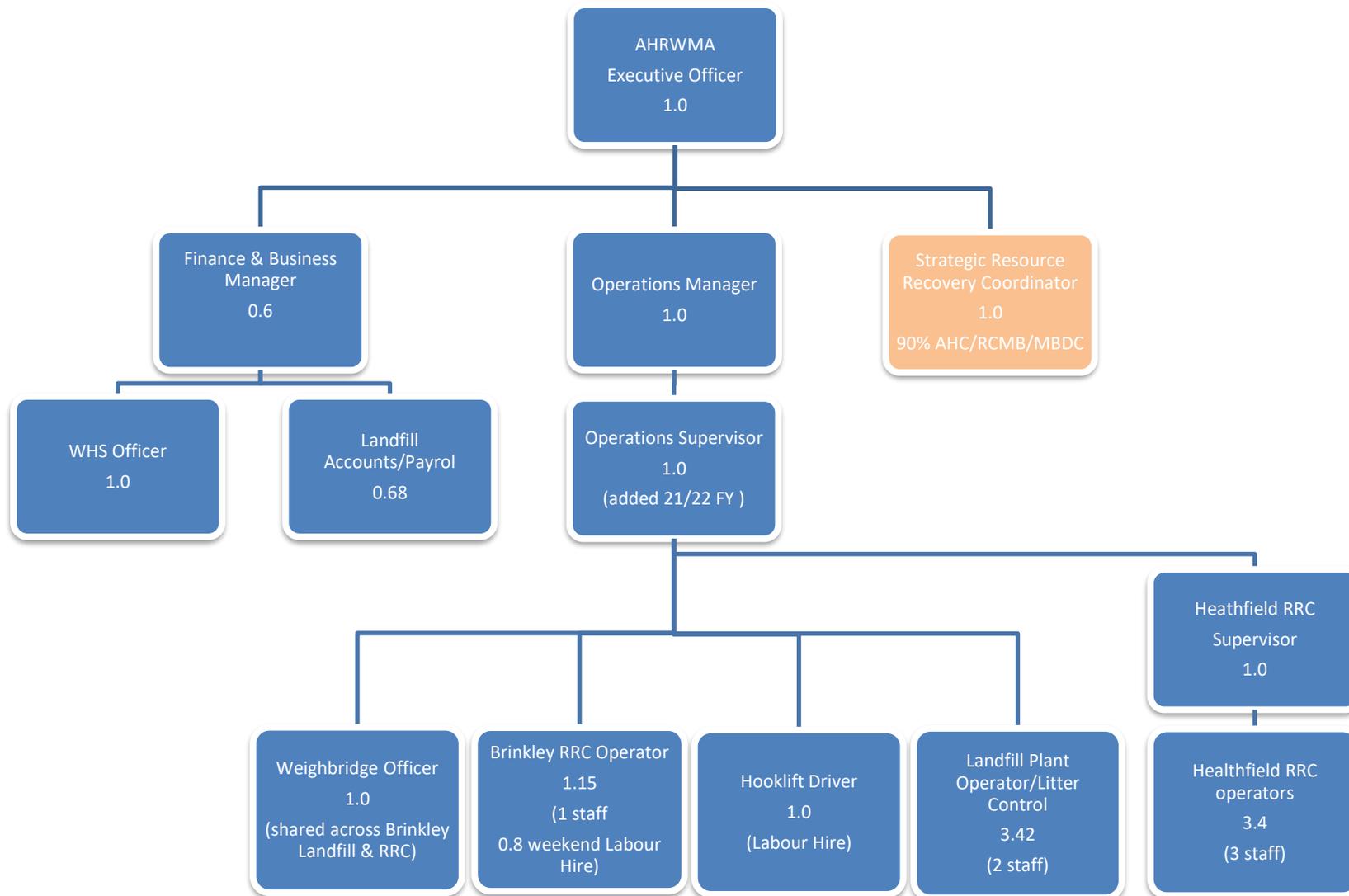


Diversion Rates

Each of the Councils have achieved the following landfill diversion rates and all have increased slightly when compared to the previous 2019/20 year.

Council	2019/20	2020/21	% change
AHC	50.7%	51.7%	1.0%
MBDC	49.4%	49.5%	0.1%
RCMB	44.5%	45.1%	0.6%

Organisation Chart 2020/21



Adelaide Hills Region Waste Management Authority
General Purpose Financial Reports
for the year ended 30 June 2021

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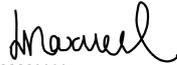
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Adelaide Hills Region Waste Management Authority
Annual Financial Statements
for the year ending 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2021, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....
Leah Maxwell
EXECUTIVE OFFICER



.....
Peter Brass
CHAIR
AUDIT COMMITTEE

Date: 01 September 2021

Adelaide Hills Region Waste Management Authority
Statement of Comprehensive Income
for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
INCOME			
User charges	2	5,300,030	4,451,469
Investment income	2	16	140
Other income	2	3,991,821	2,035,916
Total Income		<u>9,291,867</u>	<u>6,487,525</u>
EXPENSES			
Employee costs	3	1,388,354	1,120,733
Materials, contracts and other expenses	3	5,371,434	4,586,109
Depreciation, amortisation & impairment	3	612,849	599,696
Finance costs	3	32,143	50,925
Total Expenses		<u>7,404,780</u>	<u>6,357,463</u>
OPERATING SURPLUS / (DEFICIT)		<u>1,887,087</u>	<u>130,062</u>
Asset disposal and fair value adjustments	4	47,052	1,419
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		<u>1,934,139</u>	<u>131,481</u>
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		<u>1,934,139</u>	<u>131,481</u>

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

Adelaide Hills Region Waste Management Authority
Statement of Financial Position
for the year ended 30 June 2021

ASSETS	Notes	2021	2020
		\$	\$
Current Assets			
Cash and cash equivalents	5	264,637	267,497
Trade and other receivables	5	1,788,975	614,549
Inventories	5	1,958	2,256
Total Current Assets		<u>2,055,570</u>	<u>884,302</u>
Non-current Assets			
Infrastructure, property, plant and equipment	6	4,744,650	4,936,546
Total Non-current Assets		<u>4,744,650</u>	<u>4,936,546</u>
Total Assets		<u>6,800,220</u>	<u>5,820,848</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	7	853,291	878,205
Borrowings	7	671,808	1,471,228
Provisions	7	308,568	276,221
Total Current Liabilities		<u>1,833,667</u>	<u>2,625,654</u>
Non-current Liabilities			
Borrowings	7	190,429	236,989
Provisions	7	1,815,560	1,931,780
Total Non-current Liabilities		<u>2,005,989</u>	<u>2,168,769</u>
Total Liabilities		<u>3,839,656</u>	<u>4,794,423</u>
NET ASSETS		<u>2,960,564</u>	<u>1,026,425</u>
EQUITY			
Accumulated surplus		<u>2,960,564</u>	<u>1,026,425</u>
TOTAL EQUITY		<u>2,960,564</u>	<u>1,026,425</u>

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 2021

		Accumulated Surplus	TOTAL EQUITY
2021	Notes	\$	\$
Balance at end of previous reporting period		1,026,425	1,026,425
Net Surplus / (Deficit) for Year		1,934,139	1,934,139
Balance at end of period		2,960,564	2,960,564
2020			
Balance at end of previous reporting period		894,944	894,944
Net Surplus / (Deficit) for Year		131,481	131,481
Balance at end of period		1,026,425	1,026,425

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

Adelaide Hills Region Waste Management Authority
Statement of Cash Flow
for the year ended 30 June 2021

		2021	2020
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
User charges		5,812,283	4,724,188
Investment receipts		16	140
Other revenues		2,899,094	1,895,953
<i>Payments:</i>			
Employee costs		(1,348,408)	(1,103,698)
Materials, contracts and other expenses		(5,985,112)	(4,707,074)
Finance payments		(37,033)	(55,661)
Net Cash provided by (or used in) Operating Activities		1,340,840	753,848
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Sale of replaced assets		80,780	53,000
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(514,300)	(202,037)
Expenditure on new/upgraded assets		(64,200)	(452,000)
Net Cash provided by (or used in) Investing Activities		(497,720)	(601,037)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		-	100,000
<i>Payments:</i>			
Repayments of borrowings		(801,607)	(252,645)
Repayment of lease liabilities		(44,373)	(42,261)
Net Cash provided by (or used in) Financing Activities		(845,980)	(194,906)
Net Increase (Decrease) in cash held		(2,860)	(42,095)
Cash and cash equivalents at beginning of period	9	267,497	309,592
Cash and cash equivalents at end of period	9	264,637	267,497

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 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The Authority is a Local Government Authority Section 43 regional subsidiary under the control of Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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 & 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, Mt Barker. These financial statements have been prepared for use by Constituent Councils of the Authority.

3 Income recognition

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

4 Cash, Cash Equivalents and other Financial Instruments

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

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 policy applied to financial instruments forms part of Note 10.

5 Inventories

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

Adelaide Hills Region Waste Management Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are as follows. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Landfill Assets	\$1,000
Road Construction & Reconstruction	\$10,000

6.3 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. 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.

Plant, Furniture & Equipment

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

Infrastructure

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

Cell amortisation is calculated by amortising total consumed airspace. Used airspace is surveyed monthly by an independent surveyor. In prior years the Authority has calculated landfill amortisation on estimated remaining useful life. Accordingly the change to amortisation based on airspace consumption is considered to be a more accurate representation of written down value.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

6.4 Impairment

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

6.5 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with the allowed alternative treatment in 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 & Deposits

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

8 Borrowings

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

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) 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 oncosts) 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 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.

9.2 Superannuation

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2021 and 9.5% in 2020). No further

Adelaide Hills Region Waste Management Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

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 2019-20) of "superannuation" salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), the Authority does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

The Authority also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Authority.

10 Rehabilitation

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

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

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

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

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustment to the liability as required ensuring an accurate projected cost of the liability is showing in the Statement of Financial Position. The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified.

11 Leases

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

- i) Right-of-use assets

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

The Authority recognises right-of-use assets as at 1 July 2019. 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.

12 ***Changes to comparative figures***

During the financial year, the Authority has reviewed the allocation and classification of some transactions which has been updated in the comparative information presented. Changes in classification has resulted in no change to the previously reported financial performance and position of the Authority.

13 ***Amendments to AASB101 and AASB 108 Definition of Material***

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Authority.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 2 - INCOME

	Notes	2021 \$	2020 \$
USER CHARGES			
Waste processing and disposal fee		1,988,923	1,726,835
EPA waste levy collected		3,311,107	2,724,634
		5,300,030	4,451,469
INVESTMENT INCOME			
Interest on investments		16	140
OTHER INCOME			
Consultancy service		14,889	3,447
Waste officer contribution		174,671	116,802
Waste transfer station income		1,648,655	1,443,863
Waste transfer station recuperation		52,773	53,353
Transport income		250,938	234,143
Fuel tax rebate		48,219	43,865
Machinery charge out		123,725	113,159
Recycled income		8,561	2,997
Sundry		1,669,390	24,287
		3,991,821	2,035,916

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 3 - EXPENSE

	Notes	2021 \$	2020 \$
EMPLOYEE COSTS			
Salaries and wages		1,017,531	838,688
Employee leave expense		164,666	115,200
Superannuation	1(9.2)	102,336	88,821
Superannuation - defined benefit plan contributions	1(9.2)	3,071	-
Workers' compensation insurance		34,012	26,719
Other		66,738	51,305
Total Operating Employee Costs		1,388,354	1,120,733
Total Number of Employees		13	11
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's remuneration			
- Auditing the financial reports		5,508	4,702
Bad and doubtful debts		812	-
Subtotal - Prescribed Expenses		6,320	4,702
<u>Other Materials, Contracts & Expenses</u>			
Materials, contractors and other		364,193	236,106
Waste transfer station expenses		1,134,076	988,957
Consultants		52,681	51,359
Administration and accountancy service		71,261	82,138
EPA licence fee		9,611	9,430
Repairs and maintenance		179,075	189,031
Insurance and legal		66,053	126,621
EPA waste levy paid		3,311,107	2,724,634
Parts, accessories & consumables		157,621	161,519
Sundry		19,436	11,612
Subtotal - Other Materials, Contracts & Expenses		5,365,114	4,581,407
		5,371,434	4,586,109

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 3 - EXPENSES con't

		2021	2020
	Notes	\$	\$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Road infrastructure		5,534	5,534
Buildings		15,012	13,458
Vehicles		29,378	16,654
Plant and equipment		284,909	258,579
Landfill cells		99,583	110,533
Leachate pond		8,697	8,697
Landfill rehabilitation		38,443	50,232
Landfill cell capping		82,750	87,466
Right of use assets	7	48,543	48,543
		612,849	599,696
FINANCE COSTS			
Interest on overdraft and short-term drawdown		24,999	42,511
Interest on leases		7,144	8,414
		32,143	50,925

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

		2021	2020
Notes	\$	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal	80,780	53,000	
Less: Carrying amount of assets sold	(33,728)	(51,581)	
Gain (Loss) on disposal	47,052	1,419	
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	47,052	1,419	

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 5 - CURRENT ASSETS

		2021	2020
CASH AND EQUIVALENT ASSETS	Notes	\$	\$
Cash on hand and at bank		264,637	267,497
		264,637	267,497
TRADE AND OTHER RECEIVABLES			
Accrued revenues		1,209,967	53,291
Debtors - general		579,008	561,258
		1,788,975	614,549
INVENTORIES			
Stores and materials		1,958	2,256
		1,958	2,256

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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

	2020				2021			
	\$'000				\$'000			
Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Road infrastructure	-	138,352	(38,807)	99,545	-	138,352	(44,341)	94,011
Buildings	-	273,605	(91,170)	182,435	-	274,532	(106,182)	168,350
Vehicles	-	131,482	(61,974)	69,508	-	164,768	(55,743)	109,025
Plant and equipment	-	3,218,528	(1,548,695)	1,669,833	-	3,599,055	(1,739,181)	1,859,874
Landfill cells	-	2,559,142	(1,353,088)	1,206,054	-	2,559,142	(1,452,671)	1,106,471
Leachate pond	-	173,938	(54,106)	119,832	-	173,938	(62,803)	111,135
Landfill rehabilitation	-	602,784	(205,369)	397,415	-	461,321	(243,812)	217,509
Landfill cell capping	-	1,470,335	(553,491)	916,844	-	1,487,979	(636,241)	851,738
Right of use assets	-	323,623	(48,543)	275,080	-	323,623	(97,086)	226,537
Total	-	8,891,789	(3,955,243)	4,936,546	-	9,182,710	(4,438,060)	4,744,650
Comparatives	-	7,671,248	(3,456,828)	4,214,420	-	8,891,789	(3,955,243)	4,936,546

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 2021

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT

	2020 \$								2021 \$	
	Carrying Amount	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	Adjustment	Net Reval'n	Carrying Amount
			New / Upgrade	Renewals						
Road infrastructure	99,545		-	-	-	(5,534)	-	-	-	94,011
Buildings	182,435		927	-	-	(15,012)	-	-	-	168,350
Vehicles	69,508		-	68,895	-	(29,378)	-	-	-	109,025
Plant and equipment	1,669,833		63,273	445,405	(33,728)	(284,909)	-	-	-	1,859,874
Landfill cells	1,206,054		-	-	-	(99,583)	-	-	-	1,106,471
Leachate pond	119,832		-	-	-	(8,697)	-	-	-	111,135
Landfill rehabilitation	397,415		-	-	-	(38,443)	(141,463)	-	-	217,509
Landfill cell capping	916,844		-	-	-	(82,750)	17,644	-	-	851,738
Right of use assets	275,080		-	-	-	(48,543)	-	-	-	226,537
Total IPP&E	4,936,546	-	64,200	514,300	(33,728)	(612,849)	-	(123,819)	-	4,744,650
<i>Comparatives</i>	4,214,420	323,623	452,000	202,037	(51,581)	(599,696)	-	395,743	-	4,936,546

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 7 - LIABILITIES

	Notes	2021		2020	
		Current	Non-current	Current	Non-current
TRADE AND OTHER PAYABLES					
Goods and services		768,118	-	678,849	-
Payments received in advance		20,000	-	20,000	-
Accrued expenses - other		4,234	-	9,124	-
GST payable		24,262	-	116,568	-
Other payables		36,677	-	53,664	-
		853,291	-	878,205	-
BORROWINGS					
Leases liabilities	17	46,560	190,429	44,373	236,989
LGFA cash advance debenture facility		625,248	-	1,426,855	-
		671,808	190,429	1,471,228	236,989
PROVISIONS					
Employee entitlements (including oncosts)		308,568	23,042	276,221	15,443
Future reinstatement / restoration, etc		-	461,321	-	602,784
Cell capping		-	1,331,197	-	1,313,553
		308,568	1,815,560	276,221	1,931,780
Movements in Landfill Provisions – 2021 year only (current & non-current)					
			<i>Future Reinstatement</i>	<i>Cell capping</i>	<i>Total</i>
Opening balance		602,784	1,313,553	1,916,337	
Add (Less) remeasurement adjustments		(141,463)	17,644	(123,819)	
Closing balance		461,321	1,331,197	1,792,518	

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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	2021	2020
		\$	\$
Total cash and equivalent assets	5	<u>264,637</u>	267,497
Balances per cash flow statement		<u>264,637</u>	<u>267,497</u>

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

Net Surplus (Deficit)		1,934,139	131,481
Non-cash items in income statement			
Depreciation, amortisation and impairment		612,849	599,696
Net increase (decrease) in unpaid employee benefits		39,946	17,035
Net (Gain) Loss on disposals		(47,052)	(1,419)
		<u>2,539,882</u>	<u>746,793</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(49,426)	(210,733)
Net (increase) decrease in inventories		298	1,535
Net increase (decrease) in trade & other payables		(24,914)	216,252
Net Cash provided by (or used in) operations		<u>2,465,840</u>	<u>753,847</u>

(c) Non-Cash Financing and Investing Activities

Estimated future reinstatement etc. costs		<u>(123,819)</u>	<u>395,744</u>
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(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 2021

Note 9 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call	<p>Accounting Policy: carried at lower of cost and net realisable value, interest is recognised when earned.</p> <p>Terms and conditions: deposits at call have an average maturity of 90 days and an average interest rate of 0.3% (2020: 90 days 0.45%)</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Fees and other charges	<p>Accounting Policy: carried at nominal values less any allowances for doubtful debts.</p> <p>Terms and conditions: unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms and conditions: liabilities are normally settled on 30 days after the month of invoice.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: carried at the principle amounts. Interest is charged as an expense as it accrues.</p> <p>Terms and conditions: secured over future revenues, interest is payable quarterly and principle due at CAD end date.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Leases	<p>Accounting Policy: accounted for in accordance with AASB 16 as stated in note 1</p>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 9 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2021	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Assets</u>	\$	\$	\$	\$	\$
Cash & Equivalents	264,637	-	-	264,637	264,637
Receivables	1,788,975	-	-	1,788,975	1,788,975
Total	2,053,612	-	-	2,053,612	2,053,612
<u>Financial Liabilities</u>					
Payables	849,057	-	-	849,057	849,057
Current Borrowings	625,248	-	-	625,248	625,248
Lease Liabilities	52,722	202,371	-	255,093	236,989
Total	1,527,027	202,371	-	1,729,398	1,711,294

2020	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Assets</u>	\$	\$	\$	\$	\$
Cash & Equivalents	267,497	-	-	267,497	267,497
Receivables	614,549	-	-	614,549	614,549
Total	882,046	-	-	882,046	882,046
<u>Financial Liabilities</u>					
Payables	869,081	-	-	869,081	869,081
Current Borrowings	1,426,855	-	-	1,426,855	1,426,855
Non-Current Borrowings	51,688	255,093	-	306,781	281,362
Total	2,347,624	255,093	-	2,602,717	2,577,298

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

	30 June 2021		30 June 2020	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
LGFA cash advance debenture	2.4	625,248	2.6	1,426,855
Non interest bearing		849,057		869,081
		1,474,305		2,295,936

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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 allowance for doubtful debts. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 5 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

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

Liquidity risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available a range of standby borrowing facilities that it can access.

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Authority has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

Note 10 - EXPENDITURE COMMITMENTS

The Authority as at 30 June 2021 had no obligation for expenditure.

Note 11 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED

There were no contingencies, assets or liabilities not recognised subsequent to 30 June 2021 that need to be disclosed in the financial statements.

Note 12 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2021 that need to be disclosed in the financial statements.

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 13 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority, prepared on a simplified uniform presentation framework basis.

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

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

	2021	2020
	\$	\$
Income	9,291,867	6,487,525
Expenses	<u>(7,404,780)</u>	<u>(6,357,463)</u>
Operating Surplus / (Deficit)	1,887,087	130,062
 Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(514,300)	(202,037)
Add back Depreciation, Amortisation and Impairment	612,849	599,696
Proceeds from Sale of Replaced Assets	<u>80,780</u>	<u>53,000</u>
	179,329	450,659
 Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(64,200)	(452,000)
	<u>(64,200)</u>	<u>(452,000)</u>
Net Lending / (Borrowing) for Financial Year	<u>2,002,216</u>	<u>128,721</u>

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 14 - OPERATING LEASES

The Authority as a Lessee

Right of Use Asset

Set out below are the carrying amounts (written down value) of right of use asset recognised within Infrastructure Property, Plant and Equipment.

Carrying Value	Land \$
At 1 July 2020	275,080
Depreciation Charge	(48,543)
At 30 June 2021	226,537

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

	2021 \$
Opening balance 1 July 2020	281,362
Accretion of Interest	7,144
Payments	(51,517)
Closing Balance 30 June 2021	236,989
Current	46,560
Non Current	190,429
The following are amounts recognised on profit or loss:	
Depreciation expense right of use asset	48,543
Interest expense on lease liabilities	7,144
Total amount recognised in profit and loss	55,687

Adelaide Hills Region Waste Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 15 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The key management personnel of the Authority include the Chair, the Board and the Executive Officer being prescribed officers under section 112 of the Local Government Act 1999. In all, key management personnel were paid the following total compensation:

	2021	2020
	\$	\$
Salaries, allowances & other short term benefits	214,063	211,910
Post-employment benefits	-	-
Long term benefits	13,569	13,506
Termination benefits	-	-
TOTAL	227,632	225,416

The following transactions occurred with related parties:

	2021	Outstanding 30 June 2021	2020	Outstanding 30 June 2020
	\$,000	\$,000	\$,000	\$,000
Adelaide Hills Council - provision of waste processing & disposal service	1,380	160	1,194	132
Alexandrina Council - provision of waste processing & disposal service	276	34	238	23
Mount Barker District Council - provision of waste processing & disposal service	1,219	134	952	87
Rural City of Murray Bridge - provision of waste processing & disposal service	781	58	569	81
TOTAL	3,656	386	2,953	323

*Comparatives have been updated to include the EPA levy received from the Authority's Constituent Councils.

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 one Constituent Council individually has control of the policies.

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2021

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 2021, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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



.....
Andrew Aitken
CHIEF EXECUTIVE OFFICER
Adelaide Hills Council

Date: 19 August 2021

Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2021

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 2021, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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



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

Date:

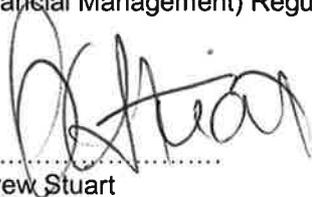
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Adelaide Hills Region Waste Management Authority

Certification of Auditor Independence for the year ending 30 June 2021

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



.....
Andrew Stuart
CHIEF EXECUTIVE OFFICER
Mount Barker District Council

Date: 12/08/21

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2021, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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


.....
Michael Sedgman
CHIEF EXECUTIVE OFFICER
Rural City of Murray Bridge

20.07.2021

Date:

HEAD OFFICE

214 Melbourne Street
North Adelaide SA 5006

PO Box 755
North Adelaide SA 5006

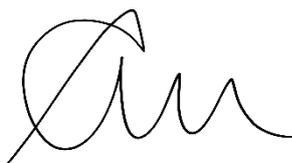
T: (08) 8267 4777
www.deannewbery.com.au

Dean Newbery
ABN: 30 164 612 890

Auditor's Independence Declaration under Section 22 of the Local Government (Financial Management) Regulations 2011 to the Adelaide Hills Region Waste Management Authority

I confirm that, for the audit of the financial statements of the Adelaide Hills Region Waste Management Authority for the year ended 30 June 2021, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



SAMANTHA CRETEN
PARTNER

Signed on the 19th day of July 2021,
at 214 Melbourne Street, North Adelaide, South Australia 5006