

Fleurieu Regional Waste Authority

Annual Report 2020-21



FLEURIEU REGIONAL
WASTE AUTHORITY





Front cover: FRWA RACV at the HMAS Hobart Memorial Lookout

Contents

Message from the Independent Chairperson	4
FRWA Governance	6
Executive Officers Report	8
Our Mission & Objectives	10
Our Services	11
Kerbside Collection Services	12
Waste and Recycling Depots	15
Waste Education and Projects	15
Financial Statements	17

Message

From the Independent Chairperson

It is my pleasure to present the Fleurieu Regional Waste Authority Annual Report for 2020-21.

The 2020-21 financial year was a challenging year, yet another one, following China Sword and the continuing pandemic. It was a year where the Authority and our member Councils collaborated on a number of issues to ensure that the Authority continues to deliver positive outcomes for the Councils and their communities that it serves.

It is now the tenth year of operation of the Authority and, together with the member Councils, a significant review of the Authority's constitutional document, known as its Charter, was undertaken. The Councils recognise that the Authority is working in a dynamic, progressive and extremely competitive industry and agreed to amend the Charter in order to ensure that it is well placed, moving forward, to achieve its strategic objectives and to activate a local circular economy.

The other foundation document that the Authority and the Councils have worked together on, in a collaborative partnering approach, was the Fleurieu Regional Waste Authority Business Plan 2021-24. The Business Plan contains a raft of innovative initiatives to ensure that the Authority achieves the objectives goals of its Strategic Plan. The initiatives range from providing kitchen caddies in every home to expanding the services we provide and the development of a carbon emissions reduction road map. It was reassuring that all member Councils approve the plan in the early part of 2021.

The Board also took steps to improve and evolve the governance oversight of the Authority by not extending the Ministerial exemption but, instead, forming an Audit Committee accordance with the Local Government Act 1999. The Board formed the Audit Committee in June 2021 which will comprise up to five members including two who are independent. This, in my view, is a further example of the evolving maturity of what is now, an established Authority.

Financially, the Authority provided a positive outcome for all Councils with a healthy surplus, before extraordinary liabilities. Relevantly, the Authority, increased its own source revenue from a budgeted 24% to 28%, due to increased patronage at the Waste and Recycling depots as well as through an increase in the range of services it offered to the community.

However, in March 2021, staff discovered traces of asbestos within recycled road rubble that the Authority produces as part of its resource recovery activities at the Goolwa Waste and Recycling Depot. The Environment Protection Authority was notified and we have been working with consultants and contractors to remediate affected properties. The contamination has been found to date back to December 2018 with approximately 26,000 tonne of material being sold since that time. At the time of writing this Message, over 138 properties have registered as having purchased or received contaminated material with 5 properties fully remediated.

Whilst the remediation process has commenced with the contaminated material removed from 5 properties at the time of writing, Administration has undertaken a review of all recycling activities and implemented appropriate risk-management processes to minimise the risk of any recurrence. This is

an unfortunate incident, one that the Authority did not identify, but one which serves to highlight the challenges in resource recovery in the circular economy.

I am particularly proud of the increase in the range of services that FRWA now provides to the Council communities, in particular the Weekly Food Waste Collections for businesses and the Special Collections Services where residents and businesses can arrange additional waste collection services outside of the schedule of their normal collections. These services demonstrate a level of responsiveness to community but also innovative business-thinking that goes to less reliance on Council funding.

In the latter part of the financial year, the Authority was recognised for its part in the bush fire recovery program on Kangaroo Island. It was named as a finalist in the Local Government Professionals SA 2021 Leadership Excellence Awards, Excellence in Disaster Recovery & Emergency Response Management Award.

In closing, I recognise and thank the Management Team led by our Executive Officer, Simon Grenfell but also expressly acknowledge all of our employees for their ongoing commitment and support in providing the diverse, efficient and flexible resource management services that our communities are proud of. I also recognise and thank my fellow Board members for their vision, wise counsel and support over the past twelve months, noting that many will no longer be Board members into the future, consequent upon the changes being made to the governance structure of the Authority. Finally, special mention must be made of the support that the Authority has received from the CEO's of the member Councils over the past 12 months, in working through some of the challenging issues. Thank you, all.

Michael Kelledy
Independent Chairperson
Fleurieu Regional Waste Authority



FRWA Governance

FRWA is administered by a Board in accordance with the requirements of the *Local Government Act 1999* and the Fleurieu Regional Waste Authority Charter. The membership of the Board comprises nine members including an Independent Chairperson, to govern and lead the Authority. The eight other members, comprise an elected member and an officer from each Constituent Council. This year we welcomed two new members in Paul Simpson from Kangaroo Island Council and Karen Rokicinski from the City of Victor Harbor. Paul Simpson replaced John Fernandez who has been a long time supporter of the Authority and has been either a Board member or deputy member over the past ten years. Karen replaced Glen Sanford who retired from the Board at the end of last year.

This year changes were made to the governance structure via the amended Charter that will see a revised Board in 2021/22.

Board Members: Paul Simpson, Simon Grenfell (EO), Karen Rokicinski, Tim Glazbrook, Elizabeth Williams, Alistair Christie, Michael Kelledy (Independent Chairperson), Andy Baker, Peter Denholm, Michael Scott.



The Board held seven meetings during the 2020-21 financial year. Given the wide area that the Authority covers, it holds Board meetings in each Council area during the year. The table below details the Board Member attendance.

Board Member	Meetings
Mr Michael Kelledy (Independent Chairperson)	7 of 7
Mr Andy Baker (District Council of Yankalilla)	6 of 7
Cr Alistair Christie (District Council of Yankalilla)	6 of 7
Cr Peter Denholm (Kangaroo Island Council)	7 of 7
Mr John Fernandez (Kangaroo Island Council)	2 of 2
Mr Paul Simpson (Kangaroo Island Council)	5 of 5
Cr Tim Glazbrook (City of Victor Harbor)	7 of 7
Ms Karen Rokicinski (City of Victor Harbor)	5 of 5
Cr Michael Scott (Alexandrina Council)	7 of 7
Ms Elizabeth Williams (Alexandrina Council)	6 of 7

Deputy Board Member	Meetings
Mr Brian Doman (City of Victor Harbor)	1 of 2
Mr Mark van der Pennen (Alexandrina Council)	1 of 1

Schedule 2 to the *Local Government Act 1999*, requires local government subsidiaries to establish an Audit Committee to ensure that the Authority meets its legislative and probity requirements as required by the Act and other relevant legislation, standards and codes.

FRWA was been granted an exemption from this provision by the Minister of Local Government until June 2021 from this requirement. A condition of this exemption is that FRWA establish an Internal Audit Committee to provide oversight of its risk and audit functions.

The Internal Audit committee held seven meetings during the 2020-21 financial year. The table below details the Internal Audit Committee Member attendance

Internal Audit Committee Member	Meetings
Mr Peter Fairlie-Jones (Independent Chairperson)	7 of 7
Cr Alistair Christie (District Council of Yankalilla)	6 of 7
Cr Tim Glazbrook (City of Victor Harbor)	4 of 4
Ms Karen Rokicinski (City of Victor Harbor)	4 of 5
Ms Elizabeth Williams (Alexandrina Council)	7 of 7
Mr Andy Baker (District Council of Yankalilla)	3 of 3
Brian Doman (City of Victor Harbor)	1 of 2

Executive Officer Report

The waste and resource sector is always throwing up challenges and this year was no different.

Despite the challenges of COVID-19, lockdowns, changing community behaviours and managing contaminated materials; we achieved the priority actions in the 2020-21 Business Plan.

This year we also undertook a number of initiatives to increase the range of services we provide to the community and reduce waste to landfill.

FRWA now provide weekly food waste collections for commercial businesses and special on-demand waste collections for business and holiday home owners that have a bin that needs to be collected urgently.

We rolled out kitchen caddies to Mt Compass households and undertook a Summer Recycling Collections Pilot. These initiatives will provide long term benefits through waste diversion and provide vital information for the development of policies and services in the future.

We have continued to improve the management of our business with the implementation of the 3Logix Waste Track system in our collection vehicles.

The weekly FOGO collections for commercial businesses allows people to recycle their food waste at work as well as at home. While special bin collections provides a service for holiday home owners to ring up and order an out of cycle bin collection. We also formalised the collection program for caravan parks that is tailored to meet their needs. These

programs provide a foundation for further diversion of waste from landfill into the future.

This included a Summer Recycling Collection Trial that provided weekly collection of Recycling bins and FOGO bins in the Chiton and Hayborough area this resulted in a diversion rate of 84% and provided valuable information that will inform the setting of summer time services in the future.

Food Waste is still the number one contributor of waste to landfill. In analysing our collection data it was found that Mt Compass had low presentation rates of FOGO Bins and higher bin weights than most other areas. FRWA supported by Alexandrina Council and Green Industries SA delivered kitchen caddies to all Mount Compass households, provided educational material, promoted the program through local publications and Facebook. The Mount Compass Area School got on board and implemented FOGO bins throughout their school to demonstrate how circular use of material. Peats Soils donated 150 bags of compost to give away as prizes.

The program was a success increasing the FOGO bin presentation rate from 42% to 58% and increased FOGO collection by 45%.

FRWA continues to be held up as the leading regional waste authority. I made presentations to the Green Industries SA Regional Waste Forum, the Waste Management Association Australia State Conference and to the Murray Lands and Riverland LGA. I also provided advice and assistance to the Copper Coast Council in its transition to fortnightly collection of kerbside waste and recycling.

The discovery of small traces of asbestos in crushed rock at the Goolwa Waste and Recycling Depot has been devastating for our recycling practices. We have reviewed our processes and are currently developing Recycled Product plans to ensure that we have procedures and practices in place that eliminates the risk of this occurring again.

FRWA will be working with consultants and contractors over the next twelve months to remediate the impacted properties and eliminate any risks to health and property.

This year's achievements would not have been possible without the commitment and hard work of the FRWA Board, the Constituent Councils and, importantly the staff of FRWA. I look forward to continuing to work with member Councils and the Board to build on these achievements into the future.

Simon Grenfell

Executive Officer

Fleurieu Regional Waste Authority



KIRRC Supervisor Brian Biddell with mulch produced by the FRWA In-Vessel Composter.

Our Mission & Objectives

About FRWA

The Fleurieu Regional Waste Authority (FRWA) is a local government regional subsidiary of the Alexandrina Council, City of Victor Harbor, District Council of Yankalilla and Kangaroo Island Council. With a vision of *“FRWA will provide diverse and flexible resource management services that are affordable, improve environmental outcomes and promote a circular economy that our community are proud of”*.

Objectives

Objective 1: Reduce the impact of the community on the environment through best practice waste management and diversion

Key Performance Indicators

- Increase kerbside diversion rates from 50% to 70% by 2030
- Reduce the amount of organic waste in the blue bin from 44% to less than 15% by 2025
- Reduce contamination of the recycling bin to less than 8% by 2025
- Reduce greenhouse gas emissions of FRWA by 30% by 2030

Objective 2: Advocate and facilitate a local circular economy

Key Performance Indicators

- Value of recovered materials is increased by 10% by 2025
- Reduce freight kilometres by 5% by 2025
- Constituent councils purchase recyclable materials equivalent to 30% by weight of material collected in the yellow bin.

Objective 3: Provide flexible services that meet the needs of councils, residents and visitors.

Key Performance Indicators

- Reduce the number of bin banks in rural areas by 15% by 2025
- Increase range of services provided to customers by 20% by 2025
- Increase range of services provided to constituent Councils by 2025

Objective 4: Provide efficient and effective Regional Subsidiary

Key Performance Indicators

- Reduce the cost of kerbside collection per property by 5% by 2025, excluding CPI and solid waste levy
- Reduce the cost to councils of waste transfer station operations by 10% by 2025 excluding CPI and solid waste levy.

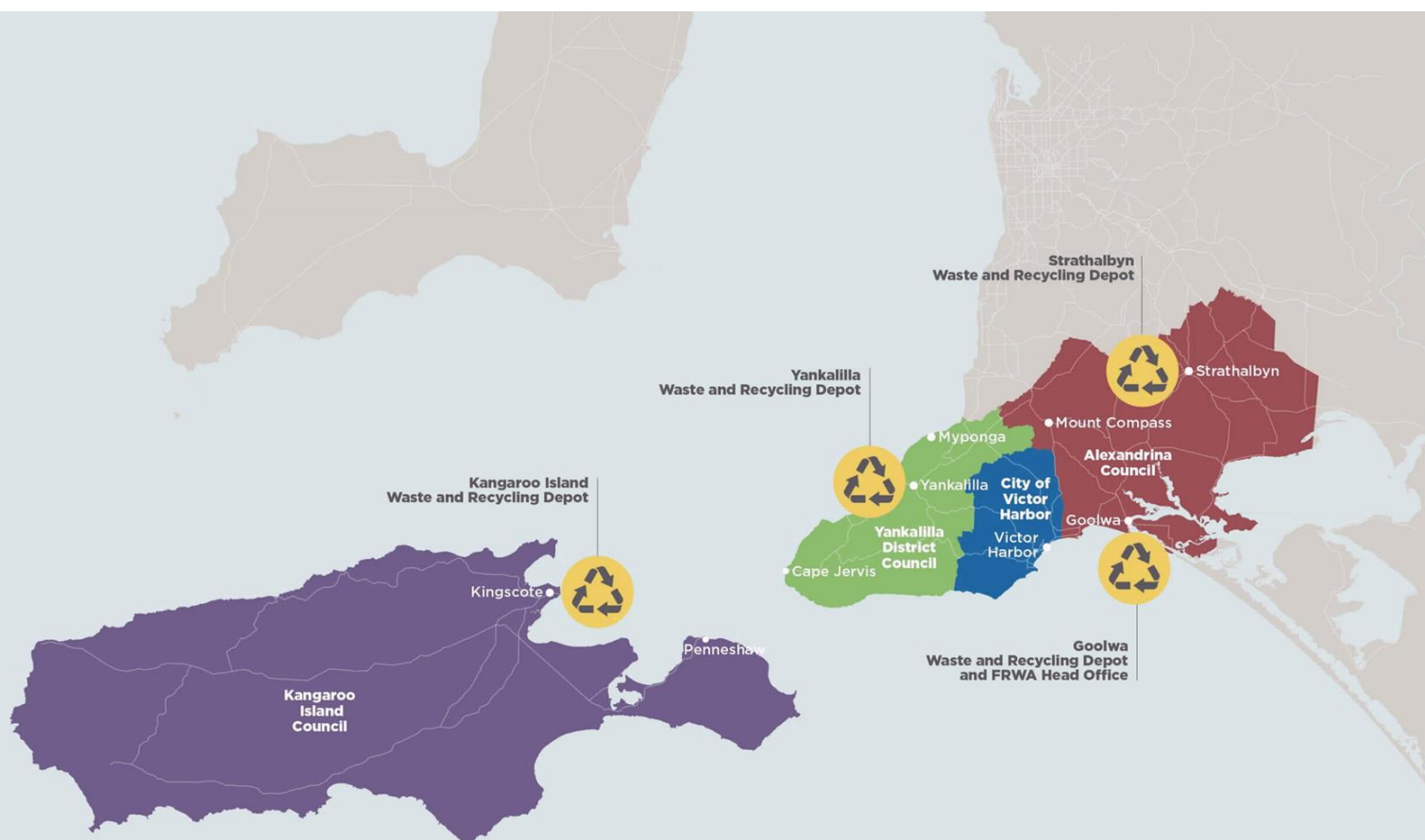
Our Services

The Fleurieu Peninsula and Kangaroo Island covers 7,341km² and has a resident population of 54,000 which increases by up to 50% in coastal areas during holiday periods.

FRWA is a fine example of local governments working together to achieve efficiencies across boundaries. We are capturing the best practices brought over from the Councils: reducing waste going to landfill, increasing recycling, and promoting a cleaner and healthier environment for today and tomorrow.

We offer a range of services to the communities we serve including:

- 3-bin fortnightly collection of kerbside waste
- Public Waste and Recycling Depots in Goolwa, Yankalilla, Strathalbyn and Kingscote
- Public Litter Bin collections
- Additional Waste Collection Services including: Event Bins, Weekly commercial FOGO collections, Exceptional Circumstances Bins
- Community Waste Education
- Customer Service
- Sale of composting equipment, kitchen caddies, bins and supplies
- Representation and advocacy on behalf of constituent Councils.



Kerbside Collection Services

FRWA has a fleet of 13 collection vehicles and provides fortnightly collection of waste, recycling and Food Organics Garden Organics to over 32,000 properties.

The kerbside collection teams continued to review their operations and improve their efficiency using data from the 3Logix Waste Track system installed in 2019/20.

These improvements included:

- The review and adjustment of the collection runs on Kangaroo Island
- Review and adjustment of collections runs around Strathalbyn
- The removal of five bin banks in Alexandrina Council
- Elimination of manual run sheets

FRWA have also sought to increase the range of kerbside waste collection services to the community.

To support and encourage the community to separate their waste and improve their recycling practices it is critical that they have access to services that suit their needs. FRWA provide a range of additional collection services including Exceptional Circumstances Bins and Additional Bins. This year we implemented a number of new services including:

Weekly Commercial FOGO

The Weekly Commercial FOGO service is aimed at commercial food producing businesses such as cafes, clubs and restaurants that are environmentally focused and want to

divert their food waste from landfill. The weekly collection of 140 litre bins does this. We developed a range of flyers, stickers and educational material as part of this service and are currently collecting 20 bins from 12 businesses across the Fleurieu Peninsula.

Special Collections Policy

Our community is diverse and varied and this is reflected in their waste management needs. To cater for this FRWA now provide a Special Collection Service where residents can ring up and book a collection of their general waste bin outside their regular collection cycle. This is particularly useful for holiday houses and businesses that create more waste than they can dispose of as part of their normal waste collection service.

Caravan Park Collection Policy

Collection services for Caravan Parks were previously unregulated and FRWA simply provided the service that the parks wanted. To encourage better management of waste FRWA created a Caravan Park Waste Collection Policy which details the services FRWA provides and the fees and charges. This has reduced the number of bins put out by caravan parks and the time our collection vehicles are spending collecting the waste.

These new services has led to a 47% increase in additional bin services and increased revenue. More importantly increased personal responsibility for waste management.

The diversion of waste from landfill is a key driver for FRWA. We collect data across all of our businesses to monitor and measure our diversion. This year we reviewed the presentation of our statistics and provided a trending graph to better represent the changes in waste generation.

COVID-19 continues to impact our waste streams in different ways. It appears that DC Yankalilla and KI Council had an influx of visitors which has increased total waste production, in particular MSW. This has had a negative impact on those Councils diversion rates. WRD's have seen an increase in activity due to an active economy supported by government grants.

This financial year kerbside material tonnages increased by 7%, with increases across all waste streams. Waste diversion across the region increased from 58% to 59% with the City of Victor Harbor achieving 62% diversion of waste from landfill with FOGO becoming the predominate waste stream for that Council.

As a region our kerbside diversion rates increased from 58% to 59% and WRD diversion rates remained static at 80%. These rates are still amongst the highest in South Australia.

COUNCIL	WASTE	FOGO	RECYCLING	DIVERSION
Alexandrina	+2% 4711	+4% 4123	+4% 2731	+1% 59%
City of Victor Harbor	+5% 2605	+0% 2611	+1% 1647	+2% 62%
DC Yankalilla	+13% 1163	867 -1%	+9% 635	0% 56%
Kangaroo Island	+22% 986	+21% 394	+20% 530	+2% 48%
Total (tonnes)	+6% 9465	+3% 7996	+5% 5544	+1% 59%

*Tonnes collected compared to 2019/20



Waste and Recycling Depots

The FRWA Waste and Recycling Depots continue to provide an important service to the communities.

All waste and recycling depots have experienced a significant increase in patronage and incoming waste.

Across the region, waste managed by the waste and recycling depots has increased by 21%. Customer numbers have increased at the Goolwa Waste and Recycling Depot by 13%.

Waste diversion from landfill has increased to 84% for the region with significant increases in diversion at the Yankalilla WRD and Kangaroo Island Resource Recovery Centre. Mulch and compost sales have been strong across the region with over 13,000m³ being sold from our depots.

This resulted in an increase in revenue and positive results for Councils.

The KIRRC continued to assist the KI Community recover from the bush fires of 2020 by receiving 3000m³ of chipped timber waste. This is being composted via our in-vessel composter and sold back to the community.

The Gosse fire waste disposal site was fenced and revegetated by the Kangaroo Island

Landscape Board with 300 tube stock and direct seeded with 6kg of seeds.

FRWA completed its plant replacement program for the year replacing the following plant items:

- 2 Robotic Arm Collection Vehicles
- Skid Steer Loader at the KIRRC
- Waste Education Officer Ute.

To improve access to transactional data and reduce paperwork for our staff a point of sale terminal was installed at the Strathalbyn Waste and Recycling Depot. It is planned to roll out point of sale terminals to the Yankalilla and Kangaroo Island facilities in the 2021-22 financial year.

FRWA continues to support the community through its policies with 53 organisations receiving \$250 credit to dispose of waste at our depots or purchase bins.

84% Waste diverted from landfill

53 community organisations receive \$250 towards waste management costs.

13,861 m³ of mulch sold back to the community.



Volunteers from the KI Landscape Board planting at the Gosse fire waste site.

Waste Education and Projects

Waste Education continues to be an important part of FRWA's activities. This year we had to adapt our approach with public education activities reduced due to COVID-19, therefore we focused on specific projects.

The summer period is a great time to be on the Fleurieu Peninsula. It is a time for holidays, celebrations and good times. Managing waste and recycling has always been a challenge for the Authority and Councils with additional collections of bins always scheduled.

The general waste bin is currently collected weekly for 6 weeks from mid-December to the end of January. This has worked well previously and is a service that is welcomed by the community, but as our community becomes better recyclers and less prone to just throw everything in the waste bin they start to demand more recycling services.

This year FRWA undertook a Summer Recycling Collection Trial in the Chiton Hayborough area where for the six week summer period FOGO and Recycling bins were collected weekly and General Waste was collected fortnightly.

The trial was a huge success with the community supporting the additional collections. 84% of waste from the trial area was diverted from landfill. Further work will be done in 2021/22 prior to making recommendations to member Councils for the 2022/23 summer.

With Food Waste still the number one contributor of waste to landfill. In analysing our collection data it was found that Mt Compass had low presentation rates of FOGO Bins and higher bin weights than most other areas. FRWA supported by Alexandrina Council and Green Industries SA delivered kitchen caddies to all Mount Compass households, provided educational material, promoted the program through local publications and Facebook. The Mount Compass Area School got on board and implemented FOGO bins throughout their school to demonstrate how circular use of material. Peats Soils donated 150 bags of compost to give away as prizes.



Mel from the Motherduck Café with her commercial FOGO bin

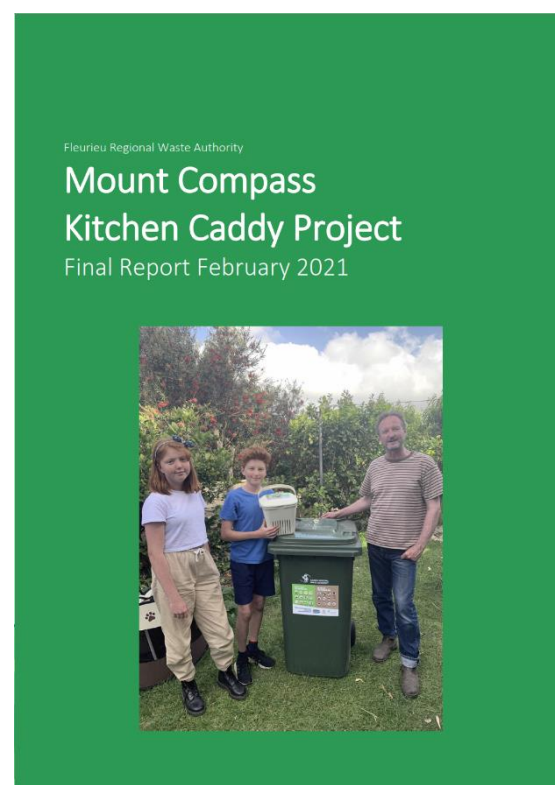
The program was a success increasing the FOGO bin presentation rate from 42% to 58% and increased FOGO collection by 45%. Our staff further supported the increase in FOGO by promoting and developing infrastructure for the Weekly FOGO Collection Service.

We continued to review our kerbside collection calendars and this year upgraded the Kangaroo Island Collection Calendar to match the “Which Bin” style formatting.

We have improved our digital communications with FRWA establishing a Facebook Page. We now have nearly 500 followers and our posts reaching over 11,000. We continue to improve this platform with competitions and informative posts that engage the community.

We are currently in the process of upgrading our website with it planned for completion in September 2021.

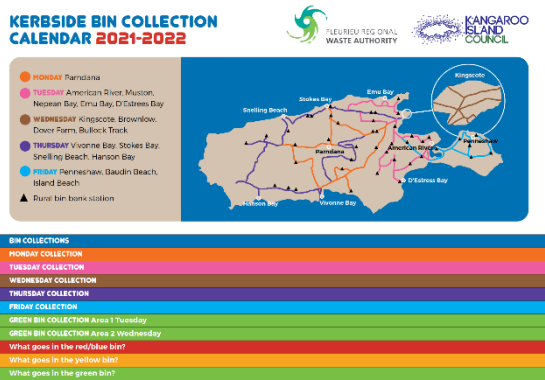
Our Waste Education staff are also utilising the 3Logix Waste Track System and are sending out letters to households regarding contamination.



Mount Compass FOGO Poster



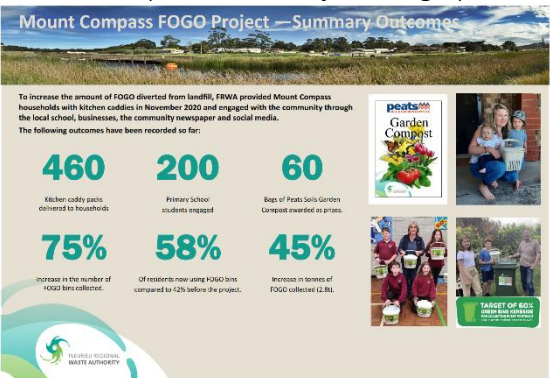
Kangaroo Island Kerbside Collection Calendar



Weekly Food Waste Brochure



Mount Compass FOGO Project Infographic



FLEURIEU REGIONAL WASTE AUTHORITY

Financial Statements

Fleurieu Regional Waste Authority

General Purpose Financial Reports

for the year ended 30 June 2021

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 - Significant Accounting Policies	N6
Note 2 - Income	N10
Note 3 - Expenses	N11
Note 4 - Asset Disposal & Fair Value Adjustments	N12
Note 5 - Current Assets	N13
Note 6 - Infrastructure, Property, Plant & Equipment	N14
Note 7 - Liabilities	N16
Note 8 - Other Current Liabilities	N17
Note 9 - Reconciliation of Cash Flow Statement	N18
Note 10 - Financial Instruments	N19
Note 11 - Expenditure Commitments	N22
Note 12 - Financial Indicators	N23
Note 13 - Uniform Presentation of Finances	N24
Note 14 - Related Party Transactions	N25
Note 15 - Superannuation	N26
Note 16 - Assets & Liabilities not Recognised	N27
Note 17 - Events after Reporting Date	N28
Note 18 - Economic Dependence	N29
 Audit Report - Financial Statements	30
Audit Report - Internal Controls	33
Authority Certificate of Audit Independence	35
Audit Certificate of Audit Independence	41

FLEURIEU REGIONAL WASTE AUTHORITY




ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

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 2021 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.


.....
Michael Kellady
CHAIR OF THE BOARD


.....
Simon Grenfell
EXECUTIVE OFFICER

Date: 22 September 2021

Fleurieu Regional Waste Authority
Statement of Comprehensive Income
for the year ended 30 June 2021

		2021	2020
	Notes	\$	\$
INCOME			
User charges	2	9,024,433	9,083,674
Grants, subsidies and contributions	2	159,570	234,771
Investment income	2	338	2,581
Reimbursements	2	7,140	15,349
Other income	2	30,009	9,064
Total Income		<u>9,221,490</u>	<u>9,345,439</u>
EXPENSES			
Employee costs	3	3,084,886	3,115,286
Materials, contracts & other expenses	3	15,238,693	5,356,982
Depreciation, amortisation & impairment	3	659,550	706,091
Finance costs	3	99,545	114,629
Total Expenses		<u>19,082,674</u>	<u>9,292,988</u>
OPERATING SURPLUS / (DEFICIT)		<u>(9,861,184)</u>	<u>52,451</u>
Asset disposal & fair value adjustments	4	12,821	40,653
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		<u>(9,848,363)</u>	<u>93,104</u>
Other Comprehensive Income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>(9,848,363)</u>	<u>93,104</u>

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

Fleurieu Regional Waste Authority
Statement of Financial Position
as at 30 June 2021

		2021	2020
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,385,180	1,983,227
Trade & other receivables	5	894,345	492,572
Inventories	5	92,353	94,273
		<u>2,371,878</u>	<u>2,570,072</u>
Total Current Assets		<u>2,371,878</u>	<u>2,570,072</u>
Non-current Assets			
Infrastructure, property, plant & equipment	6	4,327,509	4,154,770
Total Non-current Assets		<u>4,327,509</u>	<u>4,154,770</u>
Total Assets		<u>6,699,387</u>	<u>6,724,842</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	7	1,441,944	1,918,201
Contract Liabilities	7	829,393	360,745
Borrowings	7	810,587	461,466
Provisions	7	10,153,644	228,203
Other current liabilities	8	182,021	333,367
Total Current Liabilities		<u>13,417,589</u>	<u>3,301,982</u>
Non-current Liabilities			
Borrowings	7	2,190,843	2,458,850
Provisions	7	64,579	89,273
Total Non-current Liabilities		<u>2,255,422</u>	<u>2,548,123</u>
Total Liabilities		<u>15,673,011</u>	<u>5,850,105</u>
NET ASSETS		<u>(8,973,627)</u>	<u>874,736</u>
EQUITY			
	Notes	\$	\$
Accumulated Surplus		(8,973,627)	874,736
TOTAL EQUITY		<u>(8,973,627)</u>	<u>874,736</u>

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

Fleurieu Regional Waste Authority

Statement of Changes in Equity

for the year ended 30 June 2021

		Accumulated Surplus	TOTAL EQUITY
2021	Notes	\$	\$
Balance at end of previous reporting period		874,736	874,736
Net Surplus / (Deficit) for Year		(9,848,363)	(9,848,363)
Other Comprehensive Income		-	-
Balance at end of period		(8,973,627)	(8,973,627)

		Accumulated Surplus	TOTAL EQUITY
2020	Notes	\$	\$
Balance at end of previous reporting period		781,632	781,632
Net Surplus / (Deficit) for Year		93,104	93,104
Other Comprehensive Income		-	-
Balance at end of period		874,736	874,736

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

Fleurieu Regional Waste Authority
Statement of Cash Flows
for the year ended 30 June 2021

		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$	\$
<i>Receipts:</i>			
User charges		9,115,302	9,172,959
Investment receipts		338	2,581
Grants utilised for operating purposes		159,570	154,771
<i>Payments:</i>			
Employee costs		(3,084,886)	(3,115,286)
Materials, contracts & other expenses		(5,948,671)	(4,066,457)
Finance payments		(104,056)	(110,455)
Net Cash provided by (or used in) Operating Activities	9	137,597	2,038,113
 CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		-	80,000
Sale of replaced assets		153,956	108,545
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(948,344)	(1,173,926)
Expenditure on new/upgraded assets		(22,370)	(113,030)
Net Cash provided by (or used in) Investing Activities		(816,758)	(1,098,411)
 CASH FLOWS FROM FINANCING ACTIVITIES		\$	\$
<i>Receipts:</i>			
Proceeds from borrowings		785,980	1,166,664
<i>Payments:</i>			
Repayments of borrowings		(704,867)	(597,547)
Net Cash provided by (or used in) Financing Activities		81,113	569,117
Net Increase (Decrease) in cash held		(598,048)	1,508,819
 Cash & cash equivalents at beginning of period	9	1,983,227	474,409
Cash & cash equivalents at end of period	9	1,385,180	1,983,227

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

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 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 financial report was authorised for issue by certificate under regulation 14 of the Local Government (Financial Management) Regulations 2011 22 September 2021.

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.

There is significant uncertainty in the estimation of the provision for remediation costs of \$9,877,286 (refer to Note 3 Expenses, Note 7 Liabilities and Note 18 Economic Dependence), which is the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

The key estimates and assumptions used to determine the provision for remediation costs include the number of properties requiring remediation, the quantity of waste to dispose, consultant costs to manage the remediation process and contractor costs for site remediation.

Other areas of estimation uncertainty are given 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

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

3 Income recognition

The Authority recognises revenue under AASB 1058 Income of Not-for-Profit Entities (AASB 1058) or AASB 15 Revenue from Contracts with Customers (AASB 15) when appropriate. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer. In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

Council contributions

Revenue from Council contributions is recognized as the services are performed over the financial year.

Waste Disposal Operations

Revenue from waste disposal operations is recognized at the point in time the service is provided to the customer.

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

6.2 Materiality

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

6.3 Subsequent Recognition

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

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

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.

Depreciation methods, useful lives and residual values of assets are reviewed annually.

6.5 Impairment

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

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

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

7 Payables

7.1 Goods & Services

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

8 Contract Liabilities

Contract liabilities represent the Authority's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Authority recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Authority has transferred the goods or services to the customer.

9 Borrowings

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

10 Employee Benefits

10.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based on costs) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based on costs) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

No accrual is made for sick leave as the Authority experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

Superannuation

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

11 *GST Implications*

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

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

12 *New and amended standards and interpretations*

The Authority applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. New standards and amendments relevant to the Authority are listed below. The Authority has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to AASB 101 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.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 2 - INCOME

	Notes	2021 \$	2020 \$
<u>Revenue from Contracts with Customers:</u>			
USER CHARGES			
Council Contributions		6,271,291	5,621,498
Waste Disposal Operations		2,753,142	3,462,176
		9,024,433	9,083,674
<u>Other Revenue and Other Income:</u>			
	Notes	2021 \$	2020 \$
INVESTMENT INCOME			
Interest on investments:			
Banks & other		338	2,581
		338	2,581
REIMBURSEMENTS			
- other		7,140	15,349
		7,140	15,349
OTHER INCOME			
Sundry		30,009	9,064
		30,009	9,064
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Other grants, subsidies and contributions		159,570	234,771
		159,570	234,771
		159,570	234,771

Fleurieu Regional Waste 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		2,458,191	2,489,385
Employee leave expense		204,117	241,711
Superannuation	15	217,712	211,018
Superannuation - defined benefit plan contributions	15	19,876	11,065
Workers' Compensation Insurance		126,584	109,080
Other		58,406	53,027
Total Operating Employee Costs		3,084,886	3,115,286
 Total Number of Employees		32	34
<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		13,000	11,670
- Auditing of Internal Controls		2,000	2,000
Bad and Doubtful Debts		-	-
Board members' expenses		23,217	24,839
Rental charge - accrued		85,764	84,000
Subtotal - Prescribed Expenses		123,981	122,509
<u>Other Materials, Contracts & Expenses</u>			
Contractors		1,755,537	1,664,662
Energy		554,708	607,232
Waste Disposal		1,853,719	1,680,254
Maintenance		413,486	380,836
Legal Expenses		4,741	41,739
Parts, accessories & consumables		154,317	191,611
Professional services		93,384	61,911
Sundry		407,534	606,228
INDIVIDUALLY SIGNIFICANT ITEMS			
Provision for remediation costs	1.3,7,18	9,877,286	-
Subtotal - Other Materials, Contracts & Expenses		15,114,712	5,234,473
		15,238,693	5,356,982
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Plant, machinery & equipment		659,550	706,091
		659,550	706,091
FINANCE COSTS			
Interest on Loans		99,545	114,629
		99,545	114,629

Fleurieu Regional Waste 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	153,956	108,544
Less: Carrying amount of assets sold	141,135	67,891
Gain (Loss) on disposal	12,821	40,653
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	 12,821	 40,653

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 5 - CURRENT ASSETS

		2021	2020
CASH & EQUIVALENT ASSETS	Notes	\$	\$
Cash on Hand and at Bank		455,186	1,456,657
Deposits at Call		929,994	526,570
		<u>1,385,180</u>	<u>1,983,227</u>
TRADE & OTHER RECEIVABLES			
Debtors - general		892,920	477,991
Prepayments		1,425	14,581
Total		894,345	492,572
Less: Provision for Impairment		-	-
		<u>894,345</u>	<u>492,572</u>
<i>Amounts included in receivables that are not expected to be received within 12 months of reporting date.</i>		-	-
INVENTORIES			
Stores & Materials		92,353	94,273
		<u>92,353</u>	<u>94,273</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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

	Fair Value Level	2020 \$'000				2021 \$'000			
		Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Plant, machinery & equipment		4,154,770	7,364,399	(3,209,629)	4,154,770	4,327,509	7,268,743	(2,941,234)	4,327,509
Office equipment, furniture & fittings		-	3,280	(3,280)	-	-	-	-	-
Buildings & other structures		-	3,181	(3,181)	-	-	-	-	-
Total IPP&E		4,154,770	7,370,860	3,216,090	4,154,770	4,327,509	7,268,743	(2,941,234)	4,327,509
	Comparatives	3,641,795	7,259,458	(3,617,663)	3,641,795	4,154,770	7,370,860	3,216,090	4,154,770

	2020 \$									2021 \$
	Carrying Amount	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	Transfers		Carrying Amount
			New / Upgrade	Renewals				In	Out	
Plant, machinery & equipment	4,154,770		22,370	951,054	(141,135)	(659,550)	-	-	-	4,327,509
Total IPP&E	4,154,770	-	22,370	951,054	(141,135)	(659,550)	-	-	-	4,327,509
	Comparatives	3,641,795								4,154,770

FLEURIEU REGIONAL WASTE AUTHORITY
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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

Buildings & Other Structures

Buildings and other structures are recognised on a cost basis.

Plant, Furniture & Equipment

These assets are recognised on a cost basis.

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

Office Furniture & Equipment	\$5,000
Other Plant & Equipment	\$5,000
Buildings - new construction/extensions	\$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	3 to 20 years
Building & Other Structures	30 to 80 years

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 7 - LIABILITIES

		2021		2020	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		742,722	-	690,903	-
Accrued expenses - employee entitlements		189,781	-	258,491	-
Accrued expenses - other		509,441	-	968,807	-
		1,441,944	-	1,918,201	-
BORROWINGS					
Loans		810,587	2,190,843	461,466	2,458,850
		810,587	2,190,843	461,466	2,458,850

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

PROVISIONS

Employee entitlements (including oncosts)		219,956	64,579	186,802	89,273
Other Provisions		56,402	-	41,401	-
Provision for remediation costs	1.3,3,18	9,877,286	-	-	-
		10,153,644	64,579	228,203	89,273

In March 2021, the Authority undertook testing of its recycled road base material at the Goolwa Waste and Recycling Depot and found that the stockpile contained asbestos. The Authority notified the South Australian Environment Protection Authority in March 2021 and engaged a consultant to assist in the coordination and removal of asbestos containing material from identified properties in South Australia, in accordance with specific remediation plans.

A provision for remediation costs has been recognised at 30 June 2021 and represents the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

Remediation works commenced in July 2021 and the Board estimate that the majority of the remediation costs will be incurred, and remediation works completed, within the next 12 months.

This provision is a significant estimate as outlined in Note 1.3.

CONTRACT LIABILITIES

Revenue received in advance					
- additional collection services		83,125	-	53,745	-
- council contributions		746,268	-	307,000	-
		829,393	-	360,745	-

The Board approved the retention of surplus Council contributions as at 30 June 2021 for each Constituent Council to fund the asbestos contaminated material remediation project during the 2021/22 year.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 8 - OTHER CURRENT LIABILITIES

		2021	2020
		\$	\$
OTHER	Notes	Current	Current
Provision for rock crushing		182,021	333,367
		182,021	333,367

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2021 \$	2020 \$
Total cash & equivalent assets	5	1,385,180	1,983,227
Balances per Cash Flow Statement		<u>1,385,180</u>	<u>1,983,227</u>

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

Net Surplus (Deficit)	(9,848,363)	93,104
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	659,550	706,091
Net increase (decrease) in unpaid employee benefits	8,460	64,219
Grants for capital acquisitions treated as Investing Activity	-	(80,000)
Net (Gain) Loss on Disposals	(12,821)	(40,653)
	<u>(9,193,174)</u>	<u>742,761</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(401,773)	(112,243)
Net (increase) decrease in inventories	1,920	69,767
Net increase (decrease) in trade & other payables	(10,317)	1,123,004
Net increase (decrease) in other provisions	9,892,287	6,401
Net increase (decrease) in other liabilities	(151,346)	208,423
Net Cash provided by (or used in) operations	<u>137,597</u>	<u>2,038,113</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	857,115	613,715

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021
Note 10 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Bank deposits are measured at amortised cost, interest is recognised when earned</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 0.01% and 0.05% (2020: 0.01% and 0.05%).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.</p> <p>Terms & 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>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable in six monthly instalments; interest is charged at fixed or variable rates between 1.80% and 4.80% (2020: 1.80% and 4.80%)</p>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 10 - 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	1,385,180	-	-	1,385,180	1,385,180
Receivables	892,920	-	-	892,920	894,345
Total	2,278,100	-	-	2,278,100	2,279,525
<u>Financial Liabilities</u>					
Payables	1,572,115	-	-	1,572,115	1,572,115
Current Borrowings	503,853	-	-	503,853	433,250
Non-Current Borrowings	-	1,817,422	877,975	2,695,397	2,545,657
Total	2,075,968	1,817,422	877,975	4,771,365	4,551,023

2020	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<u>Financial Assets</u>					
Cash & Equivalents	1,983,227	-	-	1,983,227	1,983,227
Receivables	477,991	-	-	477,991	492,572
Total	2,461,218	-	-	2,461,218	2,475,799
<u>Financial Liabilities</u>					
Payables	1,051,648	-	-	1,051,648	1,051,648
Current Borrowings	544,351	-	-	544,351	461,466
Non-Current Borrowings	-	1,487,610	1,151,021	2,638,631	2,458,850
Total	1,595,999	1,487,610	1,151,021	4,234,630	3,971,964

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

	30 June 2021		30 June 2020	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Variable Rates	1.73	1,532,865	2.20	990,285
Fixed Interest Rates	2.55	1,468,565	2.72	1,930,031
		3,001,430		2,920,316

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 10 - 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 bank overdraft and standby borrowing facilities that it can access.

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 11 - COMMITMENTS FOR EXPENDITURE

	2021	2020
Notes	\$	\$
Expenditure Commitments		
Expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Board & Employee Remuneration Contracts	707,982	916,539
Maintenance Contracts	-	-
	<u>707,982</u>	<u>916,539</u>
These expenditures are payable:		
Not later than one year	199,573	208,557
Later than one year and not later than 5 years	508,409	707,982
Later than 5 years	-	-
	<u>707,982</u>	<u>916,539</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 12 - FINANCIAL INDICATORS

	2021	2020	2019
Operating Surplus Ratio			
<u>Operating Surplus</u>	-107%	0.56%	-0.33%
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>	145%	37%	37%
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>Net Outlays on Existing Assets</u>	107%	87%	63%
Net Asset Renewals - IAMP			

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 13 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2021	2020
	\$	\$
Income	9,221,490	9,345,439
Expenses	(19,082,674)	(9,292,988)
Operating Surplus / (Deficit)	(9,861,184)	52,451
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(948,344)	(1,173,926)
Add back Depreciation, Amortisation and Impairment	659,550	706,091
Proceeds from Sale of Replaced Assets	153,956	108,545
	(134,838)	(359,290)
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(22,370)	(113,030)
Amounts received specifically for New and Upgraded Assets	-	80,000
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-	-
	(22,370)	(33,030)
Net Lending / (Borrowing) for Financial Year	(10,018,392)	(339,869)

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Independent Board Chair, External Member of the Internal Audit Committee and Executive Officer under section 112 of the Local Government Act 1999.

In all, three persons were paid the following total compensation:

	2021	2020
	\$	\$
Salaries, allowances & other short term benefits	183,379	109,852
Post-employment benefits	14,740	8,867
Long term benefits	4,803	48,633
Termination benefits	-	184,876
TOTAL	202,923	352,228

FLEURIEU REGIONAL WASTE AUTHORITY
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 15 – SUPERANNUATION

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2020-21; 10.00% in 2021-22). No further liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 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 119.32(b), the Authority does not use defined benefit accounting for these contributions.

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

Contributions to Other Superannuation Schemes

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

FLEURIEU REGIONAL WASTE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

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

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

FLEURIEU REGIONAL WASTE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 17 - EVENTS OCCURING AFTER REPORTING DATE IN THE BALANCE SHEET

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

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

FLEURIEU REGIONAL WASTE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 18 - ECONOMIC DEPENDENCE

Note 18 – Economic Dependence

A provision for remediation costs of \$9,877,286 has been recognised at 30 June 2021 (refer to Notes 1.3, 3 and 7). As a result, the Authority's current liabilities exceed its current assets at 30 June 2021 by \$11,045,711 and the Authority has a net deficiency of \$8,973,627.

The financial statements of the Authority have been prepared on a going concern basis as its Charter includes a requirement for additional financial contributions to be made by the Constituent Councils due to the insufficient working capital available to meet the Authority's estimated financial obligations, and in accordance with Section 31 of Part 2 of Schedule 2 of the Local Government Act 1999, the liabilities incurred by a regional subsidiary are guaranteed by the Constituent Councils.

The Authority is reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis

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

We have audited the financial report of Fleurieu Regional Waste Authority ("the Authority"), which comprises the Statement of Financial Position as at 30 June 2021, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of Fleurieu Regional Waste Authority as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011.

Basis for Opinion

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

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

Emphasis of Matter – Provision for Remediation Costs

We draw attention to Note 1.3 and Note 7 of the financial report, which states that there is significant uncertainty regarding the estimation of the provision for remediation costs of \$9,877,286. The provision is the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

We draw attention to Note 18 of the financial report, which states that the Authority's current liabilities exceed its current assets at 30 June 2021 by \$11,045,711 and that the Authority has a net deficiency of \$8,973,627. The financial statements of the Authority have been prepared on a going concern basis as its Charter includes a requirement for additional financial contributions to be made by the Constituent Councils due to the insufficient working capital available to meet the Authority's estimated financial obligations, and in accordance with Section 31 of Part 2 of Schedule 2 of the Local Government Act 1999, the liabilities incurred by a regional subsidiary are guaranteed by the Constituent Councils. The Authority is reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis.

The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Authority be unable to continue as a going concern and meet its debts as they fall due.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY (CONT)****Material Uncertainty Related to Going Concern (cont)**

The above conditions indicate that a material uncertainty exists that may cast significant doubt on the Authority's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Other Information

The Board is responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board's Responsibility for the Financial Report

The Board of Fleurieu Regional Waste Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011. The Board's responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

Auditor's Responsibilities for the Audit of the Financial Report (cont)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Nexia Edwards Marshall
Chartered Accountants



Matthew O'Connor
Partner

Adelaide
South Australia

23 September 2021

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE AUTHORITY

We have audited the Internal Controls of Fleurieu Regional Waste Authority (“the Authority”) under the requirements of *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities for the year ended 30 June 2021 have been conducted properly and in accordance with law.

The Authority’s Responsibility for the Internal Controls

The Authority is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Authority’s compliance with *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the year ended 30 June 2021. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management’s assessment of these controls, assessing the risk that a material weakness exists, and testing and evaluating the design of controls on a sample basis based on the assessed risks.

Limitation of Use

This report has been prepared for the members of the Authority in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Authority, or for any purpose other than that for which it was prepared.

**INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE
AUTHORITY (CONT)****Inherent Limitations**

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with *Section 125 of the Local Government Act 1999* in relation to the Internal Controls specified above, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with *Section 125 of the Local Government Act 1999* in relation to the Internal Controls specified above are undertaken on a test basis.

The opinion expressed in this report has been formed on the above basis.

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the Authority has complied, in all material respects, with *Section 129(1)(b) of the Local Government Act 1999* in relation to Internal Controls established by the Authority relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Authority have been conducted properly and in accordance with law for the year ended 30 June 2021.



Nexia Edwards Marshall
Chartered Accountants



Matthew O'Connor
Partner

Adelaide
South Australia

23 September 2021

FLEURIEU REGIONAL WASTE 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 Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....
Michael Kelledy
CHAIR OF THE BOARD
Fleurieu Regional Waste Authority

Date: 31 August 2021

FLEURIEU REGIONAL WASTE 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 Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Simon Grenfell
EXECUTIVE OFFICER
Fleurieu Regional Waste Authority

Date: 30 August 2021

FLEURIEU REGIONAL WASTE 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 Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

.....*Elizabeth Williams*.....
Elizabeth Williams

ACTING CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date: 06/09/2021

FLEURIEU REGIONAL WASTE AUTHORITY

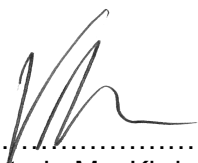


ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



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

Date: 30 August 2021

FLEURIEU REGIONAL WASTE 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 Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



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

Date: 6/9/2021

FLEURIEU REGIONAL WASTE AUTHORITY

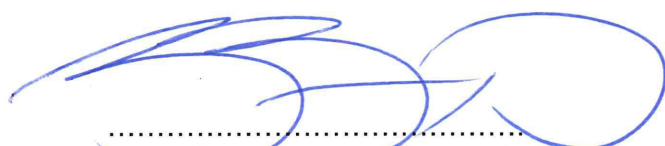


ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....
Greg Georgopoulos
CHIEF EXECUTIVE OFFICER
Kangaroo Island Council

Date: 31/8/21 .

**FLEURIEU REGIONAL WASTE AUTHORITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of Fleurieu Regional Waste 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 and in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Matthew O'Connor
Partner



Nexia Edwards Marshall
Chartered Accountants

23 September 2021



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